

By Mr. MICHAEL J. KENNEDY:

H. R. 5564. A bill authorizing the President of the United States to present, in the name of Congress, a Medal of Honor to Rev. Francis X. Quinn; to the Committee on Coinage, Weights, and Measures.

By Mr. NICHOLS:

H. R. 5565. A bill for the relief of Mary McCutcheon; to the Committee on Claims.

H. R. 5566. A bill for the relief of Charles Henry Wilson; to the Committee on Military Affairs.

By Mr. O'TOOLE:

H. R. 5567. A bill granting a pension to Mary Harper; to the Committee on Invalid Pensions.

By Mr. PITTENGER:

H. R. 5568. A bill for the relief of Rev. C. G. Eidnes; to the Committee on Claims.

By Mr. RISK:

H. R. 5569. A bill for the relief of Stuart Bastow; to the Committee on Claims.

H. R. 5570. A bill for the relief of Edmond D. Griffin; to the Committee on Claims.

By Mr. SUMNERS of Texas:

H. R. 5571. A bill for the relief of Minnie Lowery and Winell Lowery; to the Committee on Claims.

By Mr. SASSCER:

H. R. 5572. A bill for the relief of the present leader of the Naval Academy Band; to the Committee on Naval Affairs.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2303. By Mr. BROOKS: Petition of the Louisiana State Board for the Blind, in reference to House bill 4927, asking that economic opportunities of the blind be increased; to the Committee on Labor.

2304. By Mr. FLAHERTY: Petition of the Chamber of Commerce of Chelsea, Mass., supporting House bill 3232, which provides to amend the National Housing Act, and for other purposes; to the Committee on Banking and Currency.

2305. By Mr. HOUSTON: Petition of the Kansas State Legislature, requesting consideration of Senate Concurrent Resolution No. 28 and House Concurrent Resolutions Nos. 10, 12, and 16; to the Committee on the Judiciary.

2306. By Mr. MARTIN J. KENNEDY: Petition of Railroad Lodge, No. 793, International Association of Machinists, Rochester, N. Y., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2307. Also, petition of Stone City Lodge, No. 124, International Association of Machinists, Joliet, Ill., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2308. Also, petition of Lodge No. 736, International Association of Machinists, Brownsville, Tex., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2309. Also, petition of the International Association of Machinists, District No. 9, St. Louis, Mo., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2310. Also, petition of Minnehaha Lodge, No. 827, International Association of Machinists, Minneapolis, Minn., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2311. By Mr. KEOGH: Petition of the United Instrument Workers Local 425, Brooklyn, N. Y., opposing amendments to the National Labor Relations Act; to the Committee on Labor.

2312. Also, petition of Local 802, American Federation of Labor, New York City, protesting against the passage of the James F. Byrnes bill; to the Committee on Labor.

2313. By Mr. PFEIFER: Petition of the National Association of Special Delivery Messengers, Local No. 62, Brooklyn, N. Y., urging consideration of House bill 4223; to the Committee on the Civil Service.

2314. Also, petition of the United Instrument Workers Local No. 425, of the United Electrical Radio and Machine Workers of America, Brooklyn, N. Y., opposing any amendments to the National Labor Relations Act; to the Committee on Labor.

2315. By Mr. SANDAGER: Memorial of the American Legion, Department of Rhode Island, Providence, R. I., favoring the retention of the United States Employment Service and the Veterans' Placement Service as now constituted; to the Committee on Labor.

2316. Also, memorial of the American Legion, Department of Rhode Island, Providence, R. I., favoring House bill 4091, to authorize the erection of a United States Veterans' Administration neuropsychiatric hospital and domiciliary facility within and for the State of Rhode Island; to the Committee on World War Veterans' Legislation.

2317. By the SPEAKER: Petition of the school administrators of the State of Utah, petitioning consideration of their resolution with reference to Senate bill 1305, concerning education; to the Committee on Education.

2318. Also, petition of the American Lithuanian Council, Brooklyn, N. Y., petitioning consideration of their resolution with reference to the annexation of the Klaipeda-Memel territory of the Republic of Lithuania by the German Reich; to the Committee on Foreign Affairs.

2319. Also, petition of the Trainservice Brotherhoods, by Roy T. Cawley, Division No. 393, petitioning consideration of their resolution with reference to labor; to the Committee on Interstate and Foreign Commerce.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 5, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou eternal Christ of God, from Olivet to Calvary in lonely pomp ride on; in the hush about the cross we wait for Thee; may Thy love and forgiveness lay compulsions on our souls. Anthems will soon be changed into dirges, the sun unstreaked by midnight will die at midday. Oh, may we not remain in the desperate silence untouched and unmoved; help us to see deeper and deeper into that sacrificial love which is the heart of all. Be Thou the climax of our hopes, the height of our aspirations, and the ideal of all we would like to be. In the dearth of our prayers, in the paralysis of our praise, in the valley of our doubts, Oh, read our hearts; let the tidings of Thy peace come from the tempest's approaching storm; we beseech Thee to fill the void places in our breasts. Graciously pity all who suffer from that ingratitude which freezes the emotions of the heart and all who have been wounded by some tragic sorrow. Be with all, that we may be living disciples of Jesus and minstrels of God—bearing the cross and sharing the redeeming love and power of the Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3790. An act relating to the taxation of the compensation of public officers and employees.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 964) entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses

thereon, and appoints Mrs. CARAWAY, Mr. OVERTON, and Mr. VANDENBERG to be the conferees on the part of the Senate.

#### W. P. A. INVESTIGATION BY COMMITTEE ON APPROPRIATIONS

Mr. WARREN. Mr. Speaker, I offer a privileged resolution (H. Res. 152) from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

#### House Resolution 152

*Resolved*, That the expenses of conducting the investigation and study authorized by House Resolution 130 of the present Congress, incurred by the Committee on Appropriations, acting as a whole or by subcommittee, not to exceed \$25,000, including expenditures for the employment of clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee thereof conducting such investigation and study or any part thereof, signed by the chairman of the committee or subcommittee and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

SEC. 3. The heads of the executive departments and other executive agencies are requested to detail personnel temporarily to assist the committee or subcommittee upon request of the chairman thereof.

The resolution was agreed to, and a motion to reconsider was laid on the table.

#### DISTRICT OF COLUMBIA MILK INVESTIGATION

Mr. WARREN. Mr. Speaker, I offer a further privileged resolution (H. Res. 146) and ask for its immediate consideration.

The Clerk read as follows:

#### House Resolution 146

*Resolved*, That the expenses of conducting the investigation and study authorized by House Resolution 113, incurred by the Committee on the District of Columbia, acting as a whole or by subcommittee, not to exceed \$10,000, including expenditures for the employment of experts, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or any subcommittee thereof conducting such investigation and study or any part thereof, signed by the chairman of the committee and approved by the Committee on Accounts.

SEC. 2. That the official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendment:

Strike out in line 4 the figures "\$10,000" and insert in lieu thereof the figures "\$2,500."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### PRINTING OF HEARINGS BEFORE NATIONAL ECONOMIC COMMITTEE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably (Rept. No. 377) a concurrent resolution (S. Con. Res. 3), and ask for its immediate consideration.

The Clerk read as follows:

#### Senate Concurrent Resolution 3

*Resolved by the Senate (the House of Representatives concurring)*, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Temporary National Economic Committee of the Congress be, and is hereby, empowered to procure the printing of 5,000 additional copies of part 1 and each subsequent part of the hearings held before the said committee, who are directed by Public Resolution No. 113, approved June 16, 1938, to make a full and complete study and investigation with respect to the concentration of economic power in, and financial control over, production and distribution of goods and services.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter received from Mr. William Green, president of the American Federation of Labor.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a statement

which I made before the Ways and Means Committee on the subject of pensions for the aged.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting a speech made by Hon. J. Roy Jones, commissioner of agriculture, before the Carolina Warehouse Association on March 30.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter from the Right Reverend Monsignor Thomas J. O'Dwyer.

The SPEAKER. Is there objection?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein some documents from the Legislature of Puerto Rico.

The SPEAKER. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Dr. Fechner, Director of the Civilian Conservation Corps.

The SPEAKER. Is there objection?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that on Thursday of next week, after the disposal of the legislative business of the day, I may address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

#### INVESTIGATING COMMITTEES OF CONGRESS

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I rise at this time to call attention to the methods used by one of the investigating committees of this Congress. A wire received from California was inserted in the RECORD yesterday. I ask that all Members of this House who believe in fair play and the sacred right of American citizens to a fair hearing on charges made against them read this telegram. It will be found on pages 3761-3762 of the CONGRESSIONAL RECORD. I further submit that if the California farmers ever bow their heads to the despotic rule of one man, that man will be a citizen of the United States and not a foreign trouble maker.

The SPEAKER. Under special order of the House heretofore made, the gentleman from Maryland [Mr. GOLDSBOROUGH] is recognized for 1 hour. [Applause.]

#### SERVICE IN THE HOUSE

Mr. GOLDSBOROUGH. Mr. Speaker, in looking through the Congressional Directory yesterday I found that of the 102 men who were elected to the Sixty-seventh Congress only 3 have served continuously since that time: The gentleman from South Carolina [Mr. FULMER], the gentleman from Mississippi [Mr. RANKIN], and myself. My remarks, naturally, will be somewhat reminiscent and in the minds of most of the Members largely historical. It may be of interest to the Members to know how I happened to come to the American Congress.

In 1920 my district was represented by a Republican, and in the years prior to that time it had been represented by a Republican more than half of the time.

Mr. RANKIN. Mr. Speaker, will the gentleman yield at that point?

Mr. GOLDSBOROUGH. I yield.



Mr. RANKIN. The gentleman from Maryland was the only Democrat who defeated a sitting Republican for Congress that year; so he has that to his credit.

Mr. GOLDSBOROUGH. I thank the gentleman.

There was no demand for the Democratic nomination as it was conceded that the country and, of course that district, would go Republican. I had been in the very active practice of law for 19 years and felt that I saw an opportunity to enter into a service which would be of great interest to me, of great service to me, and I hoped of service to the country. The consequence is that the American Congress has been burdened with my presence for the last 18 years. I am now beginning my tenth term.

It is not an easy thing to be wrenched away from associations that have existed so long and that have always been so satisfactory and so kindly. As I think of the men and the women in the Congress I know, there is no one, there is no Member of Congress with whom I am acquainted, that I would not be glad to trust with the most sacred affairs of my own life or of the life of my family after I pass away. This applies equally, of course, to both sides of this House.

When I came here Mr. Claude Kitchin was the minority leader. He sent for me and called my attention to the fact that my colleague from Mississippi has mentioned, that I was the only Democrat in the United States who was elected in 1920 to succeed a Republican who was running to succeed himself, and he said I could have any committee I preferred. I had for many years studied the monetary situation of the country and of the world. I immediately told him that I would be very happy if I could become a member of the Committee on Banking and Currency. He was kind enough to see that I obtained an assignment on that committee, and it has certainly been a very happy one both in its associations and in the tremendously important matters which have engaged its attention.

Before I discuss some of the proposed legislation that I have attempted to advance let me call especial attention to a piece of legislation which was actually accomplished.

My colleague on the Committee of Banking and Currency, the present chairman of the committee, had for 15 years been continuously introducing a bill providing for the insurance of bank deposits. Conditions were such that it had always been impossible to get anywhere with that legislation; but in 1933 the conditions which existed, the closing of the banks, the demoralization of credit, seemed to give that proposed legislation an opportunity; and the gentleman from Alabama [Mr. STEAGALL] called his colleagues together to arm and fight that battle. We know that Federal deposit insurance is now a matter of history. Temporary legislation was passed in 1933, and the permanent legislation in 1935. That legislation could not have been passed without the leadership of the chairman of the Committee on Banking and Currency, the gentleman from Alabama [Mr. STEAGALL]; I could not have done it. Whether he could have done it without me I am not absolutely certain, but it certainly could not have been done without his leadership. And there is another distinguished Member of this House who should be especially mentioned in connection with that piece of legislation which has meant so much to the country for all these years. That year was the first that the Democratic Party had a steering committee, and the gentleman from Ohio [Mr. CROSSLER] was the chairman of the steering committee that year, the dark days of the proposed legislation when every possible political device was needed in order to encourage it and to help carry it through.

I went to see the gentleman from Ohio [Mr. CROSSLER], and I told him that we needed the assistance of the steering committee of the Democratic Party. The gentleman from Ohio [Mr. CROSSLER] paid me one of the highest compliments I ever had paid me in my life. He simply asked me the question: "Is it the right thing to do?" My answer, of course, was: "It is, in my judgment." Under his leadership the steering committee of the Democratic Party performed yeoman service, a tremendous service, in the passage of that legislation. The citizens of every State in the Union have been benefited by it, and I know that my friends from

New Jersey will be especially anxious to join in my commendation of this measure, because that great State has been a particular beneficiary of that legislation very recently.

In 1922 I introduced a bill providing for a stable value for money. Other bills of like character had been introduced in the past, but in 1922 the first hearing in the history of any national assembly in any civilized country in the world was held in the Committee on Banking and Currency on that bill. Other hearings were held in 1924, and in 1926 we had been enabled to obtain the interest of a Republican Member, the gentleman from Kansas [Mr. STRONG]. We were in the minority, of course, and we were glad to get the cooperation of the majority side in that year to take hold of this proposed legislation. These hearings were continued for several years.

In 1932 a bill introduced by me providing for stabilization of the currency passed the House by a vote of 289 to 60; but when it got over to the Senate a substitute, which was meaningless, was offered, and the legislation did not become law. Since that time many distinguished Members of this House have not only offered but have pressed at hearings proposed legislation having a similar purpose, as you all know.

Mr. Speaker, no specific legislation of the indicated kind which any Member of Congress has proposed has become law. We have a right to hope and we have a right to believe that the tremendous educational influence of the hearings on all these bills have had a profound effect in educating the American people on the proper application and on the legitimate use of the circulating medium of the country.

On June 1, 1936, I spoke in the House on this subject. This speech begins on page 8624 of the CONGRESSIONAL RECORD of June 1, 1936. In this speech I undertook to collect 19 remedial monetary measures which had been passed and to discuss in section 20 the value of the various pieces of emergency legislation which had been passed in addition to the monetary legislation.

Before I leave I want to express a very definite opinion reached after the very best thought I have on the future of the democratic method. As time goes by, as trouble in Europe increases, as totalitarian governments seem to gradually rise in ascendancy, I seem to become more convinced that the democratic method will forever survive. [Applause.]

In the New York Times Magazine of a few Sundays ago there appeared an article by David S. Muzzey, professor of American history, Columbia University, in which the following statement is made:

Moreover, no country enjoying a fair amount of economic prosperity and security has given itself over to the dictators. They are the product of misery, jealousy, bankruptcy, and desperation—adventurers whom civil disorder and social confusion have thrown to the top to strut for a brief time as heaven-sent deliverers. If history has any lesson at all, it is that their day will be short. Even wise Thales, more than 25 centuries ago, declared that one sight the world would never see was "a tyrant growing old."

Napoleon, with more political and military genius in his little finger than the "sawdust Caesars" of today have in their whole bodies, lasted about 20 years. When the first cracks appeared in the edifice of despotism which Napoleon had raised, the people from Spain to Russia rose to demolish that edifice and send its architect to die in exile on the barren island of St. Helena. Drunk with power which breeds ambition for more power, he had dared to challenge the historic process of the emergence of political, religious, and economic liberty. For all his great gifts, he failed. And are we to believe that his feeble imitators, fighting with the noble weapons of purges, persecutions, confiscations, concentration camps, and castor oil, will succeed where he failed?

Nor do I share in any manner or to any extent the fears of great bodies of our people in this country that the United States is in danger of any sort of dictatorship, is in danger of any sort of bankruptcy, is in danger of any sort of failure in its credit, is in any danger of inflation, or is in danger of any condition which is not better than the condition which has existed in this country since 1932.

My views on what should be done are embodied in a bill, H. R. 5520, this Congress, in support of which I made a speech in this House on January 12, 1937, also a speech made by me in this House on June 8, 1937, and in a statement made by me before the Committee on Banking and Currency on July 8,

1937, which appears in the CONGRESSIONAL RECORD of July 9, 1937; but I am not here today for the purpose of discussing my proposal.

As I indicated a few minutes ago, I do not share the fears of those who believe that the social legislation which this Government has engaged in since 1933 is inimical to the public interest. On the contrary, I believe it is a sounder policy than any other now suggested to the public in a politically broad way. Some of the suggestions which have been made and which are being made, suggestions that we arbitrarily balance the Budget regardless of the country's condition, suggestions that we reduce relief expenditures, suggestions that we retard the progress of the W. P. A. and the P. W. A., are in my judgment demonstrably contrary to the public interest, and I hope to be able to demonstrate this within the time allotted me.

The habit of mind which began in this country on the 4th of March 1921 and existed until the 4th of March 1933 and which resulted in economic collapse is the same as that which is continually complaining about the method of the present administration.

Mr. Speaker, New England has always been considered the most conservative part of the United States, and when I use the word "conservative" or when I use the word "liberal" I use them in their very vague political sense, because everyone ought to be a conservative and everyone ought to be a liberal, but even New England is rapidly emerging from that school of thought which says, "I am rich in power; I represent interests which have a commanding influence in Washington, and when I get into financial trouble I propose to go to Washington to get relief out of the Public Treasury, and after I have obtained my relief the Public Treasury shall be closed to every other element of society." I say even New England is fast emerging from such a school of thought as that.

I have in my hand a book called *An Economic Program for American Democracy*, by seven Harvard and Tufts economists: Richard V. Gilbert, George H. Hildebrand, Jr., Arthur W. Stuart, Maxine Yapple Sweezy, Paul M. Sweezy, Lorie Tarshis, and John D. Wilson.

When I read this book and when I considered the vast gap between the thinking involved in this book and the thinking which was common in the Northeast some 30 or 40 years ago I recalled the lines of the Harvard song:

Fair Harvard! Thy sons to thy jubilee throng,  
And with blessings surrender thee o'er,  
By these festival rites, from the days that are past,  
To the days that are waiting before.

I read beginning on page 24, and I wish every Member of the House could read this little book:

One of the lessons of the past 5 years has been the striking demonstration of the efficacy of public spending in promoting national well-being. Viewed merely in terms of the direct objects of expenditure—the provision of relief and temporary jobs to the unemployed, benefit payments to farmers, the development of useful public projects, and the restoration of the Nation's financial structure to solvency—the Federal Government's program of increased expenditures has been of inestimable social benefit. But these direct gains, important though they were, were less significant than the secondary effects of deficit spending in producing a marked expansion of general industrial activity and private employment. On the basis of a careful study of Government receipts and disbursements, it has been computed that the net expenditures of the Federal Government tending directly to expand the Nation's income averaged \$3,000,000,000 a year from the middle of 1933 to the middle of 1936, as compared with an annual average of only \$1,300,000,000 in the preceding 3½ years. By the latter part of 1936 the national income had reached a level equivalent to about \$70,000,000,000 per annum as compared with \$41,000,000,000 in 1932-33; both the physical output of mines and factories and the average prices received by farmers for their produce had more than doubled; and some 8,000,000 more workers were employed in private jobs than at the depth of the depression.

Reading from page 64:

From 1932 to 1937, while the Federal debt was increasing by \$15,500,000,000, the State and local governments actually reduced their debt slightly, and the net increase in total corporate debt was probably not more than \$1,000,000,000. Taking \$16,000,000,000 as a rough estimate of the increase in debt from 1932 through 1937, we get an annual average increase of \$3,200,000,000.

The increase in the national debt from 1932 to 1937, a period of 5 years, on an average was \$3,200,000,000.

This must be compared with the annual average increase of over \$6,000,000,000 in the prosperous decade of the twenties.

Under the previous administration, from 1921 to 1929, the debt increased from \$75,000,000,000 to \$126,000,000,000—that is public and private debt—an average of \$6,000,000,000 a year from 1921 to 1929, whereas during this period which is so complained of by those who are opposed to the administration, the annual increase has been less than half, that is, less than \$3,200,000,000.

Clearly the total debt, corporate and public, has not increased by an excessive amount since 1932, if the experience of former years is taken as a basis of comparison.

Mr. Speaker, the expression "national debt" is found in every newspaper and in every magazine in the United States in every issue, and it is complained about in the face of the fact that we have no national debt. What does Austria mean by a national debt? Austria cannot produce enough to feed and clothe and house and transport its own people. Austria is compelled to get a large part of its food and clothing and housing from outside the country. Therefore, it has to borrow from outside the country and must have a low standard of living in order to have something left of its own manufactured products to pay this outside debt. That is a national debt. It is a national debt when you owe what you owe outside of your country. But when you owe what you owe inside of your country it is not a national debt.

A distinguished United States Senator complained the other day that every national in the United States had a mortgage around his neck of \$430. I say to him that not one dollar of that money is owed outside of the confines of the United States and therefore the same individuals who are mortgagors in the amount of \$430 apiece are also mortgagees. One obligation absolutely cancels the other. Then talk to me about an increased national debt, when everything we are using this money for is to save food and clothing and housing and transportation and what not which would otherwise be wasted.

What is better, to have a \$40,000,000,000 income in 1933 and taxes collected amounting to just a little over \$2,000,000,000, or an income in 1937 of \$70,000,000,000, an increase of \$30,000,000,000, and an increase in taxes to \$6,000,000,000? Why, when the national debt was half as much as it is now, in 1932, Government bonds were selling at 83. Now, with a national debt of \$39,000,000,000, Government bonds are selling at 102. Why is that? It is because of the tremendously increased national production. For every dollar we put into circulation we have received in actual production of wanted goods and services of over five times as much.

It has been conservatively estimated that if we were able to distribute all the wanted goods and services that we can produce; in other words, if our people had adequate buying power, we could produce in this country \$120,000,000,000 worth of consumers' goods and capital goods a year. Let us assume that in order to do this we have to increase the national debt—that is, the so-called national debt, because we do not have any national debt—suppose we have to increase the borrowing in this country and have to borrow \$1 to increase the national production and distribute \$5. Is that a business proposition or is it not?

Not long ago Collier's Weekly published an editorial attempting to answer this argument, and the answer was this. They said:

That is true, the debt is owed within the country. It is not the same as a national debt. But these bonds, this borrowing, is all owned by the rich, and therefore, the poor have to pay the rich.

In the first place, you will want to find out who Collier's Weekly is, and one way to find that out is to look at the book called *Sixty Families*, and you will find in that book a chapter entitled "Press of the Plutocracy," and on page 256 we find this paragraph, speaking of Mr. Thomas Lamont:

Lamont, however, has been less important as a newspaper owner than as a silent manipulator of the press. For many years he was a director of the Crowell Publishing Co., which publishes the American magazine, the Country Home, Collier's Weekly, and Woman's



Home Companion, all with huge national circulations. Since Lamont's departure the Morgan interest in Crowell has been represented by Director A. H. Lockett—

And so forth. Now, naturally you would expect Collier's Weekly to make that statement, but let us see how true it is, and these are calculations made for me by the Federal Reserve System and the Department of Commerce, and I also got some of the data from Harvard research workers.

Savings depositors and insurance policyholders hold \$20,000,000,000. Of baby bonds, there is \$1,500,000,000. Of Government trust accounts, Social Security accounts, and so on, \$7,000,000,000, aggregating \$29,000,000,000 of those bonds either directly or indirectly owned by the common people out of the \$39,000,000,000.

Then philanthropic foundations, educational institutions, and people of moderate means own some part of the remaining \$10,000,000,000.

It is absolutely impossible to make any mistake about Government expenditures through a process of borrowing as long as you have not exhausted the productive capacity of your country, because you will always get more back in real wealth than the amount of the expenditure. Is it not perfectly evident that if you have 50 bushels of wheat and it is represented by \$50, you can put \$50 more into the market provided you have 50 more bushels of wheat to match the extra \$50, and this is what happens when government borrowing is used to increase the national production.

There is another thing that is being said continuously, and that is that we are placing a burden of debt on posterity, on our children and our grandchildren and our great-grandchildren. This to me, as I said before, as long as we keep the debt within the country, is the most absurd statement that could be made. If our children and grandchildren owe this debt, they also own it. If they owe it, they own it. There is an asset always and absolutely against a liability.

The other day there was a letter written by a lady living in Virginia, and I did not use this letter until I verified the fact that the woman is living, and living in the town where she says she is living and that the letter is absolutely authentic. The letter was written to a distinguished Member of the United States Senate whose views are not like mine at all, and this is what she says:

Why should this generation hand down any debt or burden at all to the next generation? Our children and our grandchildren are in no way concerned, as far as I can see. Every morsel of food that has been eaten by the hungry bellies of this generation was grown before it was eaten. The labor, time, and resources of this generation were used to produce it—why should not this generation's hungry consume it? Why should our children or our grandchildren even be concerned, much less pay for it? Had it not been eaten, what would have happened to it?

One of the natural laws is that nothing remains static, everything is in a constant state of change. The moment any article or thing is made or created it starts to deteriorate. Food grows until it is ripe and at that instant it starts to decay. Instead of weeping bitter tears over the "waste" of feeding hungry people with food that is already in existence, we should weep for the millions of meals that rot and decay for want of human consumption, all because our sacred financial system, consisting of hard, glittering metal and dry nonnourishing paper, will not permit the rotting food to reach the hungry people.

If our children and their grandchildren must pay for this food that has already been grown and eaten before they were born, why should we not say that they must also pay for all that which rots and decays? It is a crazy and a rotten-to-the-core system that says someone must pay for food that is eaten, but that there is no loss if it rots in uselessness. In both cases it has already been produced and is in existence; it must be consumed in some manner, either by nature or by human beings. The same argument holds true for clothing or anything else that this generation has consumed or used. It is self-evident that anything we have used or consumed was produced by us before we could use or consume it. Where, then, is the logic or justice of saying that children yet unborn are concerned, or that they must pay?

This lady says in conclusion:

If some of my reasoning seems radical, I did not get it from Karl Marx; it was drilled into me from an early age and from the teachings of Jesus Christ. I hope He is not considered a Communist or dangerous radical in this materialistic age.

Mr. Speaker, it seems true that we all prefer the inductive process of reasoning to the deductive. We prefer the facts of experience rather than the argument of logic. In the fol-

lowing statement, which is to all practical purposes accurate, the national debt of the United States is contrasted with the national debt of Great Britain. This is an article written by Ernest K. Lindley and it appeared in the Washington Post of March 10, 1939, extracts from which I shall quote:

The present Federal debt is somewhat less than \$40,000,000,000. This is a little more than \$300 for every person in the United States.

A debt is large or small, of course, only in relation to the income or earning capacity of the debtor. The total income produced by the Nation last year was about \$62,000,000,000. This year it may run up to \$68,000,000,000 or \$70,000,000,000. So our total Federal debt is, roughly, between 57 and 63 percent of our national income.

Across the Atlantic is another nation with an economic system similar to ours, a nation long experienced in public and private finance and one which has not suffered from inflation, Great Britain.

The United Kingdom has a national debt of \$35,000,000,000, excluding the war debt owed to us and debts which it owes to other governments. Last year the United Kingdom had a total national income of about \$25,000,000,000. So its national debt was about 140 percent of its national income.

If our national debt were as large in relation to our income as the United Kingdom's debt is in relation to its income, it would be between \$89,000,000,000 and \$98,000,000,000, instead of \$40,000,000,000.

Our States and localities have total debts of about \$19,000,000,000. You can add this to our Federal debt to obtain a total of almost \$59,000,000,000 of debts for our Federal, State, and local governments.

Localities in the United Kingdom have a total debt of about \$9,000,000,000, according to the latest figures available, making a total public debt, national and local, of about \$44,000,000,000. This is 176 percent of the national income of the United Kingdom. If the combined debts of our Federal, State, and local governments were 176 percent of our national income, they would total between \$109,000,000,000 and \$123,000,000,000 instead of \$59,000,000,000.

The interest charges on the national debt of the United Kingdom amount to 4 percent of the national income.

The interest charges on our national debt amount to about 1½ percent of our national income.

Moreover, the British economic plant was operating almost at capacity last year, while ours is working at only two-thirds capacity, or a little better. On a national income of \$80,000,000,000 we would need a total public debt—Federal, State, and local—of \$140,000,000,000 to match the British.

The experience of the British should be a conclusive answer to those who fear that our public debt is nearing the danger point.

Mr. Speaker, of course, I am not at all confident that these remarks will change anyone's opinion, but they are made by me at one of the most serious periods of my life. They are made by me at a time when I am closing a career. They are made by me at a time when I believe I am fully aware of the mental uneasiness of the people of this country, and I never was more sincere in my life than I have been today in expressing the opinions that I have expressed. No country is in any danger of having its credit blasted or in any danger of an inflationary condition as long as its production is not up to its capacity. As long as we are able to produce more than we can produce now of wanted goods and services, we cannot have any inflation. If we put more money into circulation and still more money in circulation until our production reaches 100-percent capacity, and then through some foolish, inconceivable process we should continue to put more money into the market, we would then have true inflation. We cannot have it by any other process except that one which I have indicated.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield for, I hope, a pleasant remark?

Mr. GOLDSBOROUGH. Certainly.

Mr. GIFFORD. Mr. Speaker, coming from the minority on this committee, we are about to lose a most delightful personality, and the only real satisfaction in New England to which the gentleman made reference is that the New England viewpoint will lose one of its strongest opponents, and therefore we shall expect to prevail very much more hereafter.

Mr. GOLDSBOROUGH. Mr. Speaker, I thank the gentleman very much. That remark is characteristic of the kindly disposition of my colleague from Massachusetts, who has always been most kind and considerate and thoughtful of me in spite of the fact that we have never been able to agree.

Mr. COLE of Maryland. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. COLE of Maryland. The Eastern Shore of Maryland comprises the First Congressional District of our State. Rich in tradition, wholesome and big in hospitality, when the people of that section of Maryland call into public service one of her distinguished sons, it is evidence of the respect and esteem with which such public servant is held by her people. Such is especially true of the distinguished gentleman now occupying the Well of the House and who has been a Member of Congress for nearly 18 years. Certainly no man has received greater honor at the hands of the famous Eastern Shore section of our State than has Congressman GOLDSBOROUGH.

As he leaves to take his place in the judiciary branch of our Government I step into his shoes as dean of our State delegation. I do this after nearly 12 years of service and association with him. Not only on the Hill, so to speak, but socially as well, have I become a close friend of Congressman GOLDSBOROUGH, and along with his many associates in the House I am going to miss him very, very much.

Few men in Congress have displayed more devotion to the many and complex problems before the Congress, few men are looked upon as harder or more indefatigable workers than Congressman GOLDSBOROUGH. He has been a deep student, especially along the lines he has discussed today so intelligently as his farewell address. I arise, Mr. Speaker, for the purpose of injecting at this point a word as evidence of my own personal regret at Congressman GOLDSBOROUGH's leaving us, and at the same time express the hope that his service as a distinguished jurist will be met with the same measure of esteem and regard with which his service in this body has always been regarded during the long tenure which is coming to a close today.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Maryland be extended 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. STEAGALL. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. STEAGALL. Mr. Speaker, it has been my pleasure to serve for 18 years with the gentleman from Maryland [Mr. GOLDSBOROUGH] as a Member of this House and as a member of the Committee on Banking and Currency. Certainly I have had ample opportunity to know him. I have benefited greatly in my attempted service on that committee by his great learning, his splendid legal attainments, and his unflinching loyalty. I rejoice in the new honor that has been bestowed upon him by his appointment to the bench. I do not regard it as a promotion for him. I believe that his change in public service represents a loss to the country. I believe that his opportunities are greater in this body, as a representative of the people, which expresses as does no other assemblage on earth those ideals of human liberty that have blessed this Republic for 150 years. But he will add luster to the great judiciary of this Nation. His record there, I have no doubt, will be marked as has his service as a Member of this House, by great ability, deep devotion to duty, and by unflinching loyalty to all the best traditions of our national life. Not the least among the great qualities he possesses is that of superb courage, which has had much to do with attaining the enviable place which he holds in the esteem and confidence of his associates.

His departure is a loss to this body, a great loss to the committee on which he has served with such distinction, and to whose work he has made able and lasting contribution.

Alan, we love you. Your departure, to many of us—and I speak for both sides of the aisle in this House—will be regarded as a personal loss. We bid you Godspeed and wish you the full measure of happiness and success that you so richly deserve. [Applause.]

Mr. GOLDSBOROUGH. Mr. Speaker, I do not know how to thank my colleagues for what they have said. I am not going to endeavor to do that. I am not going to say anything personal, except that I have received nothing since I have been in the American Congress but kindness and con-

sideration from my colleagues. As Mr. COLE has said, I have been dean of the Maryland delegation for several years and have always received the most loyal and full cooperation, and I thank my colleague from Maryland especially for what he has said; also the distinguished chairman of the Committee on Banking and Currency, Mr. STEAGALL.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. MARTIN of Colorado. Before the gentleman passes on, will he permit a very brief interjection?

Mr. GOLDSBOROUGH. I yield to the gentleman.

Mr. MARTIN of Colorado. The gentleman has mentioned as one of the principal contributions of his long and distinguished congressional career, in collaboration with the gentleman from Alabama [Mr. STEAGALL], the Federal insurance of bank deposits. In that connection I want to call attention to the fact, established by the CONGRESSIONAL RECORD, that after that measure had passed the House of Representatives and the Senate and was in conference it was detained so long that a report became current in Congress that the bill would die there. As a result of that report, 100 Members signed a pledge to vote against adjournment of Congress until the conference report was brought in and the legislation was passed. How authentic that report was thought to be is attested by the fact that among the signers of the petition are to be found the names of the gentleman from Alabama, Mr. HENRY B. STEAGALL, and the gentleman from Maryland, Mr. T. ALAN GOLDSBOROUGH, who were House conferees. That pledge reads as follows:

We, the undersigned Members of Congress, hereby pledge and obligate ourselves to vote against any motion to adjourn this special session of the Seventy-third Congress until the bank guaranty deposits bill is brought out from conference and placed upon its passage by the Congress, or until we have bank guaranty legislation.

That pledge was placed in the CONGRESSIONAL RECORD by the gentleman from Mississippi [Mr. RANKIN] and is to be found in the RECORD of June 12, 1933, on page 5826, and it got action. I am proud to have been one of the 100 signers.

Mr. GOLDSBOROUGH. I thank the gentleman very much for his contribution.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. Mr. Speaker, sincerely I believe that Republicans and Democrats alike feel this is a sad day. I know the minority members of the Committee on Banking and Currency are sad today in the knowledge that their mentor on money matters is leaving this Congress. We rejoice, of course, that he is being promoted into a field of endeavor for which he is eminently qualified by temperament and education. We know that he will be respected in this new field as he has been respected in the Congress during the 18 years of his service here.

There has been a great deal said about money during the comparatively short time I have been in Congress. We have probably had two or three hundred bills introduced on the question of money. Money is considered by some people to be the source of all our happiness as well as the reason for all of our misery. The gentleman from Maryland [Mr. GOLDSBOROUGH] has given more honest, conscientious, serious, and intelligent study to the question of money and the relationship between money and prices than any other Member of this Congress. We have respect for his judgment in this and all other respects.

I want to say to the gentleman from Maryland and to this House today that we all regret that this Congress is to be denied this judgment and this intelligence which he has brought not only to the committee but to this House.

My personal experience with him dates back only to 1933, but it was my pleasure at that time to sit on a subcommittee of the Committee on Banking and Currency and to listen to hearings on a bill which the gentleman from Maryland introduced to establish a Federal monetary authority for the purpose of stabilizing prices. The subject appealed to me. I literally went to school to the gentleman from Maryland. Since then I have been a little impatient with several



of the schemes for manipulating our currency and stabilizing our prices, because although I was somewhat criticized in certain sources for the attitude which I took, I saw that the bill of the gentleman from Maryland had much merit and that possibly we were on the right road to effect stabilization. I wish we might have continued that study. Had we done so, I think we would have found the answer to the instability in the commodity price index before now.

Let me say again that we on the minority side of the Committee on Banking and Currency deeply regret that ALAN GOLDSBOROUGH has seen fit to resign from the Congress of the United States, but we wish him every success and we know he will be successful; and, Alan, we know that to your career you are bringing intelligence, we know that you are bringing sincerity, and conscientiousness. You have exhibited on this floor today that you are a man of principle and integrity. It would have been an easy thing for you to have eased out of this Congress without saying anything about the program for which you have fought so valiantly if you had not been sincere.

The Nation and your district, Alan, are to be congratulated that a man of your type, character, and intelligence is to be elevated to this high position to which you go. We wish you Godspeed and will miss you. [Applause.]

Mr. CROSSER. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. CROSSER. Mr. Speaker, not for the purpose of indulging in any lengthy encomium—for the gentleman needs none such from me—but my purpose in interrupting is to say that since 1923 until now I have been in almost daily contact with the gentleman from Maryland. During all the time while Congress has been in session since 1923 until today I have been in touch with him. It also happened that during several years, beginning with 1923, we roomed at the same hotel and so had an opportunity during the evenings to discuss at length subjects of mutual interest. We discussed economics, metaphysics, sociology, and all of the other subjects that would engage the minds of those interested in matters of a serious nature.

I could not let the opportunity pass without mentioning the fact that Mr. GOLDSBOROUGH discussed such subjects with an open mind. I do not overly enthuse about those who are constantly concerned about being conventional in their thought and actions. What I liked about my friend was that he did not hesitate to take what might seem to be at the moment an unpopular or unfashionable stand. He approached abstruse questions which we discussed at great length at time with an unbiased mind and that, in my opinion, is absolutely necessary in the search for truth. It was Ptolemy who said, "He that is to follow philosophy must be a free man in mind." ALAN GOLDSBOROUGH, I desire to say what I regard as a great compliment to you, when I assure you that you complied with the requirements which Ptolemy said were necessary to follow philosophy; you were a free man in mind.

I very much regret to see you leaving this body. I believe that here is where you could render the greatest service, all things considered. But you have made the choice and I have no hesitation in saying that you will perform the duties of your new office as well as you have performed your duties here.

I wish you a fond farewell, my friend. [Applause.]

Mr. GOLDSBOROUGH. Mr. Speaker, I thank most sincerely my distinguished friend from Michigan and my distinguished friend from Ohio.

Mr. RAYBURN. Mr. Speaker, before the gentleman yields the floor, will he yield to me?

Mr. GOLDSBOROUGH. I yield, Mr. Speaker.

Mr. RAYBURN. Mr. Speaker, I feel a deep personal loss in the retirement of my long-time and my dear friend ALAN GOLDSBOROUGH from the House of Representatives. Above and beyond all that, however, I feel that the House of Representatives is losing a Member of a high degree of intelligence, of a supreme passion for service to his day and to his

generation. He has in him the elements so mixed that he is an ideal legislator. Whatever the future may hold for him in distinction, I think his career on the bench will hardly equal—it certainly will not excel—the fine record he has made as a statesman and as a legislator.

Let me say to you, Alan, that wherever you go—I hope not far away—be assured that you will have my affectionate regard and my friendship. [Applause.]

The SPEAKER. The time of the gentleman from Maryland has expired.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I take this minute in order that I may thank especially the distinguished Democratic floor leader not only for his complimentary remarks about me today but for the friendship and consideration he has always shown me. [Applause, the Members rising.]

#### TAXATION OF COMPENSATION OF PUBLIC OFFICERS AND EMPLOYEES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3790) relating to the taxation of the compensation of public officers and employees, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees on the part of the House: Messrs. DOUGHTON, CULLEN, McCORMACK, COOPER, TREADWAY, CROWTHER, and KNUTSON.

#### EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his own remarks in the RECORD.

#### CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

Mr. RAYBURN (when the Committee on Coinage, Weights, and Measures was called). Mr. Speaker, I ask unanimous consent that further proceedings under the call be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

#### EXTENSION OF REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert a brief editorial from the Montreal Daily Herald.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. SPENCE asked and was given permission to extend his own remarks in the RECORD.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein the proclamation of the President of the United States with reference to Army Day.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

The SPEAKER. Under an order heretofore entered, the gentleman from New York [Mr. DICKSTEIN] is recognized for 20 minutes.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes to the 20 minutes already given me.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, it is absolutely essential, in view of the present conditions prevailing in the world, that the deficiency appropriation for the Bureau of Investigation should not be eliminated—or be restored, as the case may be.

Under the able guidance of J. Edgar Hoover the Bureau of Investigation of the Department of Justice has been doing yeoman work of a type in character rarely duplicated throughout the world. Scotland Yard, in Europe, has not produced as able a set of investigators as our own Federal Bureau of Investigation has.

A comparatively small number of men are engaged in activity which is not only not duplicated anywhere else but evoking the admiration of the whole world. At the present time there is a great deal of espionage going on by foreign governments seeking to penetrate into our military secrets and making a thorough study of our means of national defense, in order to cripple our own efforts in the event of a world war.

I do not wish to appear as an alarmist, nor do I wish to single out any particular nation as being the culprit in these matters, but it seems that all of Europe is employing paid spies to ferret out secrets of our national defense. The work of the F. B. I. in connection with this investigation cannot be checked, and it would be a tremendous calamity if, due to a niggardly policy of refusing proper appropriations, the F. B. I. should be unable to save this country from foreign spies.

I hereby beseech this House not to stint the Department at the present time, and I should like to call your attention to the fact that when some years ago the Department of Justice obtained an appropriation for the F. B. I. in excess of its needs it turned back to the Government \$200,000, something no other department has been able to accomplish in a good many years.

After all, at the beginning of a fiscal year we cannot possibly know how much money there will be required by the Department of Justice because of a situation over which it has no control, and we all know that the unsettled conditions in Europe have placed upon the F. B. I. a burden which it could not possibly foresee when the appropriation bill was before the House a year ago.

Mr. Speaker, not only has the Department of Justice been in charge of this particular work but the Congress has also loaded onto that agency quite a number of statutes and laws to be enforced. Not only does the Department of Justice deal with espionage, bankruptcies, interstate, and other provisions of the laws that we have imposed upon it, but the Department of Justice also has to do with aliens, whether they are here illegally through smuggling operations or for other reasons.

The majority of the Members of the Congress know very little about this subject. It is difficult to understand. The best illustration I can give you of this fact is that yesterday when bills on the Private Calendar were being called, a group of objectors, without knowing the merit or demerit of any of the bills reported by the Committee on Immigration, made objections to all these bills. I do not think there is an objector, with possibly one or two exceptions, who could tell the House on what basis he made the objection.

Mr. Speaker, this is not the way to legislate. It is not the way to treat a committee that toils and works hard listening to the evidence of witnesses and finally brings a bill onto this floor for consideration.

The reason is we do not know what the policy of this Congress or any other Congress may be so far as immigration is concerned. Some people write about immigrants who have never seen an immigrant. Some people talk about immigrants who have never had the opportunity of associating with them. Some people talk about immigration when they should take the trouble and opportunity to study the problem as I and others have for many years.

I want this country to be as safe as it can be from espionage activities, whether it be by aliens or citizens. I do not want people in this country who do not belong here. I would like to see all persons who should be removed from this country deported. However, when the Committee on Immigration, which consists of 21 members, has given a question very careful study and consideration and has brought a matter onto the floor of this House, it should receive proper treatment.

You will see Member after Member coming from sections that never saw an immigrant object just because it is an immigrant. I say that system is wrong and should be corrected.

The Committee on Immigration and Naturalization has tried to correct this matter. How? After 2 or 3 years of study the Committee on Immigration and Naturalization unanimously reported a resolution which would authorize it to conduct an investigation of all our immigration laws, which are complicated, and of all our deportation laws, which are complicated, and the other questions involved in our code. As I stated, the report from that committee was unanimous. We feel that we ought to have the opportunity of studying this matter and bringing back to the Congress a policy which will forever stop the smuggling of aliens into the United States. We feel we should be able to present a law which you and I will understand. We cannot possibly understand the law as the code stands today.

We appeared before the Rules Committee in connection with House Resolution 115, introduced by my colleague the gentleman from Indiana [Mr. SCHULTE], the ranking member of the Committee on Immigration and Naturalization. After presenting our views to the Rules Committee it unanimously reported a resolution which would authorize the Committee on Immigration to make a study of all these problems not only with reference to the code but with reference to the smuggling of aliens through the back door.

You have closed the front door, and in some instances you have refused to unite a father and a mother or a sister and a brother. In some instances you have practically barred immigration into this country of white people. However, the back door is wide open. Thousands of undesirable aliens are coming in through the back door from Mexico and Canada. The committee is trying to correct this situation.

The Committee on Rules gave us a rule. What happened? After manipulations lasting about a week or 10 days—and I do not know who the manipulators are—the resolution was brought back to the Committee on Rules and objection was made by my distinguished friend the gentleman from Texas [Mr. DIES] that the language in a certain portion of the resolution might result in activities overlapping the work of his committee investigating un-American activities. In order to convince the Committee on Rules and the Congress that it was not the purpose of the Committee on Immigration to interfere with any of the problems concerned in investigating un-American activities the Committee on Immigration agreed to withdraw the entire resolution, eliminate the objectionable features, and deal solely with the questions that relate to the problems of immigration and naturalization, deportation, and expatriation. We had a hearing on that resolution, which I believe is House Resolution 144. After convincing everybody in the room, as we thought, that it is most essential that the committee have the power to subpoena and the power to go into all these questions and problems, one man was able to hold back the report of the Committee on Rules. He wants to study three lines. He wants to know why we should recodify the naturalization and deportation laws.

It is impossible today for any lawyer to understand the naturalization and deportation law, not to speak of the difficulty it presents to ordinary people. This law has not been changed, but has been added to, and nothing has been repealed. Since 1907 one section after another has been added to the law, and by the time you get through reading the law you do not know where you are. This gentleman did not see why we should go into the question of a recodification of the law. I believe that is within the province and power of the committee. I do not care how hard it is to do, but something must be done. We ought to have a definite policy. You and I and everyone should know who is deportable and who is not deportable. Everyone should know who is entitled to naturalization and who is not. It is impossible today to know these things.

There has been a sort of a fight between the smugglers, and one has written to the committee. Everyone is giving



us some kind of information as to how smuggling is going on. They are willing to testify before the committee if they can get some sort of immunity and tell us who the smugglers are and how they operate.

To bring out my point, I call your attention to an article in the New York Daily Mirror relating that one Satirios Syrkos, a Greek, 58 years of age, from Montreal, has been convicted of smuggling in three persons. He is only part of a ring of over 100 operating on both the Mexican and Canadian borders. When being interviewed by Federal officials, he boasted to the Federal agents that he had smuggled 25,000 Chinese, Greeks, and other aliens across the border into New York and Vermont. The Department of Labor officials who worked the case up considered that an exaggeration, but do believe he has smuggled at least a couple hundred aliens across that border. He charged \$250 a person, and his average earnings were \$500 a day. The Department of Labor, through some very clever work, secured a conviction in this case and succeeded in having him sent to prison for 7 years. This is only one. No one knows how many others there are like him.

This goes to illustrate that unless you get a squeal in these cases you cannot possibly find out who the culprits are. If the Committee on Immigration can obtain this resolution from the Committee on Rules without any further pussy-footing or without hemming and hawing as to who is going to conduct the investigation, we can get to the root of this smuggling racket that is going on and has been going on for years. In fact, they have a scale of prices which starts at \$250 and goes up to \$1,500. A Chinese girl brings a top price of \$1,500, while a Chinese man is charged just \$1,000. There is an international group that has been operating on these two borders, and the Department, with all its force—and I am not criticizing the Department of Labor, which is doing all in its power to prevent these occurrences—is unable to stop the smuggling. How can you prevent smuggling when we have a border 9,000 miles long, counting both the Canadian and Mexican borders? We have 850 enforcing officers known as the border patrol. Of this force there are 68 maintenance employees, leaving about 775 actually doing patrol work. When you bear in mind that the borders are open 24 hours a day, you will see it requires 3 shifts; we must divide that 775 three ways, leaving about 290 shifts, if the men could work 24 hours a day, 365 days a year. However, you must remember that they only work on a basis of 5½ days a week and must have necessary time off for vacations and sick leave. When you have what is left, you must divide that in two, because the nature of the work is so dangerous that the men have to patrol the borders in teams of two. You might be interested in knowing that since the border patrol was created in 1924, 23 officers have been killed in battles with smugglers of aliens. This shows that there is no limit to which smugglers will go to attain their end. It is difficult to prevent smuggling entirely with such a force.

The Committee on Immigration and Naturalization should be given the right to study this problem and should have the right to see what can be done to close our borders. If necessary, I would create a real organization of veterans of the World War and put more men on the border to stop the smuggling of aliens. Two years ago hundreds of Chinamen were brought from Mexico into the United States, and a lot of money was required to send these Chinamen back. This group of men has fixed a price of \$1,000 for smuggling in one Chinaman, so it is difficult to enforce the law. We have our front door closed, but the back door is open.

If my information is correct, some persons do not like the idea of our making an investigation. Why? Because they represent certain interests who bring in cheap peon labor from Mexico to the United States during the harvesting of certain seasonal crops. When these laborers are ready to leave they lose themselves within the United States, and it is humanly impossible to get them out of the country.

What objection does anyone see to this committee's having the right to go into these questions? What are we doing

about it? What does the average Member of the House know about these matters unless he actually deals with them every day in the committee room? It seems to me there is no room for argument. If we can do the job, the results would be priceless. One Member asked me how much it would cost, and I said, "I do not know; something like \$20,000, \$30,000, or \$50,000." He said, "Well, that is a lot of money." It is not a lot of money, Mr. Speaker. It is worth all kinds of money if we can clean house and expose all these criminals who make it a practice to smuggle aliens into this country for a price.

I have right in my files now information which gives me the names of at least two dozen persons who have been engaging in this smuggling, not only by land and water but also by plane, and I will give you another illustration of how far they go. About 4 years ago a little boat had about 100 persons on board, and there was a revenue cutter going in the opposite direction from where the boat with the group of smugglers was going. Do you know what happened? The captain of that little fishing boat thought that was his cue to clean the ship, and he put a number of men in a burlap bag, tied them up, and told them, "Wait until this little Government boat gets away and we will open the bag and let you out." They threw dozens of men in the water or in the ocean to the sharks. This is how far they go in this smuggling racket.

Let me tell you something more. They are bringing in quite a number of colored people from some place through the keys of Florida. We could secure this information if we only had the power of subpoena to force these people to testify.

Then there are the trans-Atlantic boats that bring in sailors and seamen. Do you know how the members of the espionage and spy systems come in? They do not get any visa to come to the United States. They do not get any passport to come into the United States. All of your spy system is established as a result of boats bringing in more sailors than they need to man the ship; in other words, they add on almost 100, and when they get in, under the La Follette Seaman Act, I understand they have a right to remain for 60 days in the United States. Then they lose themselves and afterward they do their dirty work.

We ought to go into all of these things and I do not know of any man in this House or in this country who can deny the right to the committee to go into these problems. Oh, I have heard certain things said, perhaps, unkindly toward the committee, but that is not going to meet the problem of the smuggling of aliens or going into the question in the interest of the American people.

Do you know, Mr. Speaker, that under our immigration laws there is hardly anyone coming in? With a quota of 153,000, this fiscal year will only have 41,000 or 42,000 more persons coming here for permanent residence than have emigrated from the United States, and these people must qualify physically, mentally, and financially that they will not become a public charge, but by the same token there are thousands of men being brought across both borders at a price of \$250, who are undesirable aliens and who are a menace to any democracy.

I appeal to the chairman and the members of the Rules Committee, in the name of our own country to let me have this resolution. Do not have me come back here next week or the week afterward and say, "I told you so."

I have referred to many things on the floor of this House. I recall 4 or 5 years ago I stood here and pleaded and begged and told you about the system of espionage of foreign countries seeking to undermine our Government, and you paid no attention until 3 or 4 years afterward, when you saw the living exhibits and everybody wakened up and everybody was hollering about it, and we created the Dies committee, and I hope they do a good job, because they have a big job before them.

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. MAPES. We all realize that the gentleman is an authority on immigration matters. This question is sometimes

asked: In view of the situation which the gentleman has called attention to, particularly with respect to the smuggling of aliens and the bringing in the country of an excess number on the crews of ships, why is it that the Department of Labor cannot take care of that situation without further investigation on the part of the Committee on Immigration and Naturalization of the House?

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore (Mr. MAHON). Under the previous order of the House, the gentleman from Pennsylvania [Mr. FADDIS] is entitled to recognition for 20 minutes. Is the request agreeable to the gentleman from Pennsylvania?

Mr. FADDIS. Yes, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I say to the gentleman that the committee in making this study has not consulted the Department of Labor. We have made our own study and survey as best we knew how. Racketeers and smugglers will not advise the Labor Department that they are smuggling. We have information, and if we had the power of subpoena, we could produce 100 or more persons who will give us information about how this smuggling racket is going on. We want to go into the whole subject, and, if we can, close up that 9,000 miles of border so that we are safe from enemy aliens, spies, or whatever you want to call them. We do not know. We have the information. If we had the right to subpoena and bring the persons here under oath to tell us about the enemies, about how it is done, and who is behind it all, then we can bring in laws that will make it a felony, punishable, if necessary, by death, because this matter has gone too far.

On the next point, the gentleman asks about seamen. Here is a boat that comes in from Europe with 900 sailors. I am advised by experts it needs only about 700 or 750. We have to devise some system to stop that. We want to study the matter at first hand, so we will know exactly what laws to put on the statute books to make the steamship companies do what the law requires them to do. At present there is no such law.

Mr. MAPES. My understanding was, until the hearings before the Committee on Rules, that the penalty imposed on steamship companies for doing that sort of thing was so great that there was not much of it being done.

Mr. DICKSTEIN. The penalties the gentleman refers to are where they bring in an alien who is not qualified to enter the United States, and then they are fined \$1,000 and the steamship passage back to his native country.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 2 minutes more.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. FADDIS] has a special order. Does he consent to this?

Mr. FADDIS. If it does not come out of my time, I am willing to have the gentleman get more time to answer the question of the gentleman from Michigan.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MAPES. Mr. Speaker, does the gentleman think that the smuggling to which he refers could be prevented if the Congress appropriated more money for the Labor Department to take care of that situation?

Mr. DICKSTEIN. I do not think so.

Mr. MAPES. Why not?

Mr. DICKSTEIN. Because the present laws are defective. Something is wrong with the law and we want to find out what is wrong with the law. We want to get first-hand information.

Mr. MAPES. The present law prohibits immigration, except under certain conditions, and it prohibits smuggling.

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If the Department of Labor has the disposition and the necessary men to see to it that the law is complied with, why would not that take care of the situation?

Mr. DICKSTEIN. I am afraid that the gentleman did not get my point in the beginning of my discussion. I then said that there is a group of international smugglers operating between Mexico, the United States, and Canada.

Mr. COX. Is not this whole thing simply an anodyne the gentleman's committee is trying to set up for the inactivity of his committee and of the Labor Department?

Mr. DICKSTEIN. Oh, I beg the gentleman's pardon.

Mr. COX. If the law is defective, then the gentleman knows it, and if he knows it, why does he not propose an amendment?

Mr. DICKSTEIN. We do not know it, and that is what we want to know.

Mr. COX. I thought the gentleman was stating to the gentleman from Michigan that the law was bad.

Mr. DICKSTEIN. I told the gentleman from Michigan that the present law is bad, but we can put teeth into the law.

Mr. COX. Why not put teeth into it then?

Mr. DICKSTEIN. We do not know the facts. We want the facts first-hand from persons who do this thing.

Mr. COX. The gentleman has been before the House relating what he says are facts, stating the manner of the admission of these aliens, contrary to law, and he criticizes the Committee on Rules—

Mr. DICKSTEIN. I do not criticize it.

Mr. COX. For not reporting a rule making in order the consideration of the gentleman's resolution to authorize him to conduct an investigation covering some indefinite period of time in order that he may ascertain information that will enable him to determine, first, whether the law is defective, and then, if defective, in what manner he can correct it.

Mr. DICKSTEIN. If we had the power to subpoena, we could subpoena over 100 or more persons who will divulge a certain international smuggling ring in this country. We will then turn that over to the Department of Justice for prosecution, and we will then study the whole problem, and the committee should have the right to do it.

The SPEAKER. The time of the gentleman from New York has again expired.

#### LEAVE TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that at the conclusion of the special orders today I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and it is so ordered.

#### RESIGNATION FROM THE HOUSE

The SPEAKER. The Chair lays before the House the following resignation:

APRIL 5, 1939.

HON. WILLIAM B. BANKHEAD,

*Speaker of the House of Representatives, Washington, D. C.*

MY DEAR MR. SPEAKER: I hereby submit my resignation as a Member of the House of Representatives from the First Congressional District of Maryland.

With my kindest regards, I am,  
Very sincerely yours,

T. ALAN GOLDSBOROUGH.

The SPEAKER. Under previous order of the House the gentleman from Pennsylvania [Mr. FADDIS] is recognized for 25 minutes.

#### WHO SHALL DECLARE WAR?

Mr. FADDIS. Mr. Speaker, once more we have before us the proposal to provide for a referendum to the people before this Nation can engage in a foreign war. True enough, the question has been amended so as to satisfy the demands of the time-honored Monroe Doctrine. This, of course, is only to win more support for the proposal, for after all a war is a war no matter on what continent it is fought or over what matter. There is sure to be the same expense involved, the same casualty list, and the same disastrous aftermath—the period of deflation and readjustment. A man killed in the



defense of American trade in Brazil or of democratic principles, which exist only in name, in Argentina, is just as dead as though he were killed in defense of trade in China or democracy in France. Why, then, this bit of subtle demagoguery in exempting wars in the Western Hemisphere?

Mr. Speaker, too often the wish is father to the thought and this is, I believe, true in respect to this honest, well intended but misguided attempt to keep this Nation out of war. To all intents and purposes this is the same proposition which was defeated by the House a year ago. If the original proposal was undesirable what, I ask, is there in this modified proposal to recommend it? The gist of the argument in favor of the proposal, is that the people of this Nation are more competent to say whether or not the Nation should go to war, than is the Congress, which is composed of the direct representatives of the people. In this matter these theorists would have us entrust our national security to a system of government almost identical to that used by the aborigines of America, and where are they today? Gone with the wind—and their most famous statute, The End of the Trail.

The most essential power of government is the power to wage war and to have supreme control over the entire conduct of the war. That power is the basic power upon which are builded other powers necessary to the building and maintenance of a nation. Without this power none of the other powers of the Government could be exercised. Without this power the government of any nation would be emasculated and that nation would stand as a eunuch among nations. This power is even more necessary to government than the power to tax and not nearly so liable to abuse.

When a people desire to form a nation the power to make war is the first power they seize. There is not a nation of any importance on the face of the globe which was not born of warfare and not one which could stand if robbed of this power.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. WHITE of Idaho. Does the gentleman remember reading the history of Sweden and Norway, when there was a dispute as to the right of Norway to secede from Sweden, and the people of both countries decided that instead of being involved in war and killing each other off, they would just strike and stop and let the leaders settle it, and the country was spared the devastation of war? Does the gentleman recall that?

Mr. FADDIS. Of course I do.

Mr. WHITE of Idaho. Does not the gentleman think it was the smartest thing ever done in history?

Mr. FADDIS. I certainly believe it was. I believe wherever it is practicable it is a fitting and just substitute for war, but nevertheless for every incident of that kind in history there are literally thousands of incidents where it was impossible to settle differences in any manner except by warfare.

Mr. WHITE of Idaho. The gentleman speaks of the right of the Government to declare war. The Ludlow referendum on war does not take away from the people the right to wage war, but gives the people themselves the right to express their wishes about it, rather than a few selected representatives.

Mr. FADDIS. Yes. Later on in my remarks I will reach that point and answer the gentleman.

Let us compare the fortunes of two very similar peoples—the American Indians of western United States, during the nineteenth century, and the Mongols of Asia, during the thirteenth century. Both were nomadic tribes of horsemen of about the same degree of civilization and probably of the same ethnological derivation. Both were warlike people and developed a very high type of light cavalry. Both were addicted to intertribal warfare. The American Indian decided whether or not he would engage in war by a referendum to the people which was influenced by demagoguery, the incantations of medicine men, and the prophecies of diviners. As a consequence, some of them went to war to fight against the whites, some of them to fight with the whites, and some of them went

hunting and fishing. The war was continually carried into their country, and they were always on the defensive. Their own method of handling the question of declaring war divided them at the outset, and they were then easily defeated in detail. When it came to attacking fortified centers, they were helpless, because they had no strong leadership to hold them to prolonged effort. They were tribal or individualist fighters and never had a planned campaign, or reserves of material resources or manpower. They never attained a national status, for the reason that they had no central head to say whether there should be peace or war. They frittered away their resources in sporadic raids and won very few battles and no wars.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. WHITE of Idaho. The gentleman does not contend that there is any comparison between aboriginal tribes, with inferior armament, and the superior arms and superior organization of the white race, does he?

Mr. FADDIS. I contend that human nature is the same today as it was in the time of Genesis, and that the mechanical advancement or improvement in arms has made absolutely no difference in human nature in the human race.

The Mongols or Tartars were different. Although they were divided into tribes, they had a central government which had authority to raise, organize, and command a common army and to make war or peace. This central government at first had little or no power other than the military power. Upon this power was builded the Mongol Empire of Genghis Khan and Tamarlane; and the other powers of government necessary for the transition of a barbarous people to a civilized people followed as a matter of course. These men were unlettered but, nevertheless, military geniuses, because they had the power to exercise the primary protective instincts of mankind unhampered by any restrictions. They formed a vast empire, progressive for its time.

First, they always carried the war into the country of the enemy as swiftly and unexpectedly as possible. This saved their own country from the ravages of war. Second, they took the offensive at the beginning, and kept it, because they knew that an attacking enemy is always much more terrifying than an enemy attacked. Third, during even those early days their supreme command gave them the necessary power to reduce fortified cities, which they reduced as they came to them and carried the spoil home to enrich their own nation. Fourth, they possessed the police power to levy and collect taxes and to administer and enforce a code of laws.

Many of the founders of this Republic came from sections where the town meeting was in vogue, most of them were acquainted with the history of former pure democracies, yet they gave to us a representative form of government. They believed that this was the form of government best calculated to preserve the liberties of the people and the security of the Nation. Our experiences during the past 150 years have proven the wisdom of their judgment. When we examine the records of the Constitutional Convention in respect to the power to declare war, we find a remarkably harmonious chapter. The question regarding where this power should reside provoked almost no discussion, as opinion was almost unanimous that it should reside in Congress. Practically all of these men had actively participated in the Revolutionary War and were only too well aware of the difficulties of waging war without a supreme head empowered to act swiftly at all times.

Now, I am perfectly aware of the argument advanced by the proponents of this measure that times have changed and modern means of communication have made it possible to dispense information much more rapidly than was possible 150 years ago. That is very true, but this argument is builded upon the supposition that misinformation will not be dispensed as well. After all, the question is not one of communication. It is one of the exercise of unbiased judgment, based upon the consideration of concrete facts an-

alyzed in a dispassionate manner. A decision to go to war or not to go to war must be arrived at only after viewing the present and future interest of the Nation as a whole, and not from the viewpoint of any class, color, or creed. It is a solemn, awesome responsibility, the most momentous decision a statesman can make, and one only to be arrived at by the most careful and prayerful consideration of all facts, foreign and domestic.

This is, to say the least, an experiment; and one which if given a trial might very easily result in national disaster in more ways than one. The loyalists of Spain tried operating by a method of remote popular control. They had two wars going on at the same time—one with the forces of Franco and one within their own ranks. While they had a chance to win against Franco they were too busy fighting among themselves to take advantage of the situation. When Franco had them decisively defeated for a year they were so occupied fighting over who should be allowed to make peace that they could not end the war.

The proponents of this referendum plan maintain that there would be very little delay occasioned by submitting this question to the people. They claim, with our modern facilities of communication, an election can be held almost overnight. No one denies the truth of that statement. Unfortunately, the matter is not as simple as that. It is not a matter of mechanical achievement at all. The claims of the proponents as to the speed with which the ballot can be taken is ample proof of their highly theoretical viewpoint and their lack of understanding of the matter. Some of the real questions involved are as follows:

How long would it require to correctly inform the voters regarding the true facts, in order that they would be qualified to vote upon the question? Such questions must not be decided by snap judgment. There are many facts bearing on such issues which it is not wise to make public. It is not possible for the general run of voters to meet and talk with the other officials of government, diplomatic officials, and officers of the Army and Navy, as it is for Members of Congress. Neither is it as possible for the general public to view the question from all angles as it is for the Members of Congress to keep up to date on such situations all the time.

To what extent would false and misleading information enter into the question? Under our Constitution we would have no way to prevent any irresponsible demagogue from getting into the fight on either side. There could be no means of controlling what was said on the subject. Since the issue was being fought out along this line first, what a fertile field it would furnish for paid propagandists. What a riot such a vote would cause among our population of such heterogeneous origin. The men of military age who would survive the referendum would be experienced in a domestic guerrilla warfare. The National Guard of the various States would be exhausted and depleted before they met the common enemy.

What percent of the voters would be able to cast their ballot without giving purely personal reasons undue consideration? It is almost unnatural to expect a mother to vote for a war in which she knows her son must fight, however pressing the need may be. The same would be true of many men of military age, who would make splendid soldiers once in the army. It would be just as reasonable to expect the electorate to vote unbiased upon the taxes to be raised within the Nation. Everyone knows that it is always the other man and his effects which should be taxed.

What would be the psychological effect upon a potential enemy? It would amount to an open invitation to any nation seeking conquest to harass our national interests, just as did the Barbary pirates. Wars are not declared today. They are fought. Any indecision or wavering is certain to be fatal, as has been proven by Hitler's advances since the Munich conference. Does anyone believe that Japan would have invaded China had she not believed that China was lacking a strong central government capable of making war swiftly and surely? They thought that China was much more handicapped than the ordinary democracy in the matter of making war. When confronted by a war, a democracy, by virtue of

the fact that by the very theory of democracy the war must meet popular approval or it cannot be successfully prosecuted, is handicapped when confronted by a monarchy or dictatorship, which can make war to satisfy a whim or ambition. The adoption of a constitutional amendment such as this would hopelessly cripple a democracy.

To what extent would we be able to divorce the question from partisan politics? Not at all. We are a political people, and any or all parties would begin to jockey for position in the next Presidential election immediately upon the rise of the issue.

From an examination of the hearings before a subcommittee of the Committee on the Judiciary of the first session of the Seventy-fourth Congress upon this subject, which hearings were very complete, the idea behind this referendum seems to be predicated upon the entirely unwarranted assumption that there exist in this Nation influences which would drag the Nation into war in order that they might profit financially by the sale of munitions. This has often been implied, and, indeed, has been made as an assertion so often that it is generally believed to be true. This in itself is a good illustration of the power of propaganda, where, without one iota of proof being advanced, an often-repeated statement begins to be accepted as truth. Certainly such procedure is detrimental to the public interest. It seems to me that the testimony is an impeachment upon our system of government, because the thought there prevails that Congress would act wholly as a result of insidious pressure and be carried off by theory. Those in favor of the proposition seem to believe themselves to be very practical and above being influenced by any sentimental ideas. Our witness admits that war was once "strictly necessary and even helpful." She says, however, that various devices for settling disputes by peaceful means have developed, but she does not say what these means are. She also cites the pledges of all civilized nations to use peaceful means to settle disputes. She is one who fears Congress will be "carried off by theory" or yield to insidious pressure.

The opinion seemed to prevail among the proponents of this plan that the attitude of the press would be influenced by only the worst motives. The question of why we entered the World War comes into the hearings colored by the sympathies of the witnesses. Indeed, those who appeared in favor of this resolution seem to suspicion the good faith, good judgment, and good intentions of everyone except themselves and those whom they call the people. They assume from the start that the officials of the Government, those concerned with the press and radio, the industrialists, and all foreign nations will be actuated only by unworthy motives. One witness believed that the vote should be restricted to those men of military age plus one woman for each. It was generally admitted that the proposition was an experiment. There was a general haziness regarding what might constitute war and the manner in which the plan would function. The statement of every witness showed that they were giving more consideration to the hysterical and sentimental side of the question than they were to the extent which it might hamper the defense of the Nation.

There has been entirely too much irresponsible talk regarding this country being led into war by industrial interests, international bankers, or by an imperialistic-minded President, Secretary of State, or Congress. There is nothing in our history, past or present, to bear out such imputations. From a practical viewpoint and from the history of similar lines of action in other nations in various times throughout the past, there is every reason to believe that the amending of the Constitution in this respect would not be a deterrent to war and that it would seriously threaten our national security. [Applause.]

[Here the gavel fell.]

#### EXTENSION OF REMARKS

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a statement of Dr. Baker, of the Audubon Society.



The SPEAKER pro tempore (Mr. SPARKMAN). Is there objection?

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Georgia [Mr. Cox] is recognized for 30 minutes.

#### NATIONAL LABOR RELATIONS BOARD

Mr. COX. Mr. Speaker, under the circumstances, I am not going to detain my colleagues for the full 30 minutes which have been assigned to me.

On July 5, 1935, when President Roosevelt signed the so-called Wagner Act he issued a formal statement covering his interpretation of its terms and his understanding of the policy of the act and the function of the National Labor Relations Board.

It is interesting now, after the lapse of almost 4 years, to consider how this Board has operated and whether it has adhered to the purposes in the minds of Congress and the President, and whether it has done anything to secure the results contemplated by the legislation.

Primarily the purpose of the Wagner Act, and even the constitutional theory upon which it was adopted and upon which, in the Jones & Laughlin decision, the Supreme Court of the United States upheld it, was that—

Industrial disputes precipitated by the denial of employers of the right of their employees to organize and bargain collectively created a "burden upon interstate commerce."

The administration of the act by the National Labor Relations Board has not been satisfactory. There is insistent demand to investigate the Board to ascertain whether the increasing volume of criticism and protest from employers and the general public, and even the American Federation of Labor, against the activities of the Board and its members is justified.

Admittedly the act is not reciprocal. It provides no opportunity for the employer to make a complaint to the Board covering alleged unfair practices in connection with labor-union activities; furthermore, there is great criticism as to the provision of the act under which, in the event of there being "evidence" in a record to sustain the finding of the Board—without specification as to its being reasonably preponderant—the findings of the Board as to facts are to govern and control in any appeal to the United States Circuit Court of Appeals.

The purpose of an investigating resolution would not be to get at, or to consider possible defects in, or amendments to, the Wagner Act itself. This is properly the function of the House Committee on Labor. Even if the act were quite perfect, and substantially fair as regards all parties considered from the standpoint of the general public welfare, and the promotion of industrial peace, there would still arise the question as to how the act had been administered by the National Labor Relations Board. This is also a question which the Committee on Labor might handle if it so desired.

Of course, I realize the difficulties of a new Board endeavoring to organize on a national basis, especially in a field as difficult as labor conflict throughout all the industries—with a few exceptions—and giving attention to major items of importance in the entire United States.

But the charge and criticism of recent years has been directed chiefly against the Board itself, and its employees, and mainly at the point of their nonjudicial and prejudicial attitude toward employers indiscriminately. It is even claimed that the Board and its various employees have used the opportunities and authority of their official position to promote the organizing efforts of the C. I. O. against pre-existing unions affiliated with the American Federation of Labor.

And I think it is highly important that an investigation be had, either by the Committee on Labor, acting upon its own responsibility, or by a special committee of the House, as a result of which the fairness of these criticisms and the actual facts may be ascertained, thereby throwing considerable light upon the proposition as to whether or not the act itself should be amended.

If the House Committee on Labor should promptly open hearings on proposed amendments to the Wagner Act, in which full consideration is given to alleged defects in the law and maladministration by the Board, the demand for investigation by special committee would probably lighten up. Of course, as to what the Committee on Labor might do is for the determination of the committee itself. I am making no suggestions.

As stated previously, when the National Labor Relations Act was signed by the President he issued a statement covering his interpretation of its objective and of the functions of the National Labor Relations Board. Here is what the President said:

This act defines, as a part of our substantive law, the right of self-organization of employees in industry for the purpose of collective bargaining and provides methods by which the Government can safeguard that legal right. It establishes a National Labor Relations Board to hear and determine cases in which it is charged that this legal right is abridged or denied and to hold fair elections to ascertain who are the chosen representatives of employees.

A better relationship between labor and management is the high purpose of this act. By assuring the employees the right of collective bargaining it fosters the development of the employment contract on a sound equitable basis. By providing an orderly procedure for determining who is entitled to represent the employees, it aims to remove one of the chief causes of wasteful economic strife. By preventing practices which tend to destroy the independence it seeks for every worker within its scope that freedom of choice and action which is justly his.

The National Labor Relations Board will be an independent quasi-judicial body. It should be clearly understood that it will not act as mediator or conciliator in labor disputes. The function of mediation remains, under this act, the duty of the Secretary of Labor and of the Conciliation Service of the Department of Labor. It is important that the judicial function and the mediation function should not be confused. Compromise, the essence of mediation, has no place in the interpretation and enforcement of the law.

This act, defining rights, the enforcement of which is recognized by the Congress to be necessary as both an act of common justice and economic advance, must not be misinterpreted. It may eventually eliminate one major cause of labor disputes, but it will not stop all labor disputes. Accepted by management, labor, and the public with a sense of sober responsibility and of willing cooperation, however, it should serve as an important step toward the achievement of just and peaceful labor relations in industry.

It is my opinion that the objectives have not been realized, and that the functions of the Board have been maladministered by its members and their employees. However, this is simply my own impression, and it would appear to me that a fair and impartial investigation by a committee of the House of Representatives, with its facilities for investigation, could very easily ascertain whether the charges have any basis or are justified.

And now it may be well to state some of these specific criticisms, which are in increasing volume being made throughout the country, as regards the operations of the Labor Board. These criticisms are in such volume and are so numerous and diverse, that in order to clarify them and at the same time to emphasize the necessity of the proposed investigation, I think they should be analyzed and grouped.

As I have endeavored to study the field, it seems to me the criticisms boil down somewhat as follows:

(1) Against the Board itself and its membership:

A. That it and they are prejudiced against the employers.

B. That it and they, by their activity and decisions, display and evidence partiality in favor of one type of union organization as against another.

C. That it and they are avowedly hostile to what is called an "independent union," regardless of the fact as to whether or not such union is dominated by or organized through pressure by the employer.

D. That it and they, by their public announcements, do not display a correct or respectful attitude toward courts and the decisions of the courts.

(2) That in the existing set-up of regional offices and directors the Board, through its employees:

A. In certain areas actively fosters and promotes C. I. O. organization.

B. Allows or permits its employees to attend organization meetings and to advocate strikes and other methods as a means of promoting union organization.

C. Actively collaborate with C. I. O. organizers, not only in the preparation of complaints to be filed before the Board itself but in the creating of incidents and situations which, in the opinion of the Board's attorneys and employees, would be sufficient proof to justify the decision of the Board adverse to the particular employer.

D. That in the conduct of hearings the attorneys and employees of the Board do not exhibit a fair and impartial attitude, but are partisan, arbitrary, and prejudiced against the respondent employers, and particularly also against independent unions, or attorneys and others representing them.

E. That it is the manifest policy of the trial examiner and attorneys of the Board, after a case is closed, and in connection with the work of preparing a report and recommended findings, to search the record for items of supposed evidence which would justify a ruling adverse to the employer, and to entirely ignore in general the weight of evidence to the contrary.

F. The regional directors are frequently engaged in politics in their localities, and are zealous in so using their authority as to influence and compel political activities—satisfactory to them—on the part of union leaders and others; and even in the case of the prospect of consideration by Congress of amendments to the National Labor Relations Act these regional offices and their employees are zealous in suggesting and promoting resolutions of protest and such political conflict and activities among union leaders in the endeavor to discredit the movement for amendment, and to prevent consideration by the Congress on the merits of such suggestions.

While incidents could be cited which would tend to justify criticisms of the nature just outlined, it would seem to me that they should not be considered as of any very great importance at the present time. It seems to me that if an investigation by a special committee should be authorized by the House, it goes without saying that it should be fair and impartial and in the effort to seek the truth, realizing the manifest difficulties under which the Board has had to act. On the other hand, I feel sure that it is proper that I should suggest—largely from the standpoint of an endeavor to show the probable cause—a number of incidents in various proceedings throughout the country where, in the public press and otherwise, illustrations appear of rather flagrant conduct on the part of trial examiners and Board attorneys in the badgering of witnesses and in the effort to prevent attorneys for respondents from making proper records. We have all read about the long protracted Wierton Steel case, the Ford Motor case, the Electric Boat case, the Fansteel case, and numerous others.

Equally, we are all familiar with political speeches and activities in our own localities on the part of regional directors and their employees. As regards members of the Board, of this—and especially as regards their attitude of indicating prejudice against employers, also against courts—we need but to cite a few instances shown by releases of various speeches and addresses by members of the Board and their employees.

And, finally, as a part of the investigation, it would seem to me there is a very considerable field to cover in ascertaining who these employees of the Board are, and what their background and experience or prejudices may be, and what general political trends they may be seeking to serve.

The pages of the CONGRESSIONAL RECORD throughout the last 2 years contain sufficient claims or statements and criticism by Members of Congress to indicate how justifiable a general investigation of the members of the Board itself, and all their employees and all their activities is.

And an investigation of the facts and details as narrated by the Board itself in their own annual reports will show a field of investigation which it seems to me is necessary in the effort to determine whether or not the things they have been doing, and the methods which they have used have been in any sense those expected of them by Congress and granted to them by the National Labor Relations Act itself. The President said:

It should be clearly understood that it—the Board—will not act as mediator or conciliator in labor disputes; compromise, the essence of mediation, has no place in the interpretation and enforcement of the law.

I make bold to say a major portion of the work of this Board has been directed at forcing settlements and the granting of union recognition by employers who, subject to the threat of the expense, publicity, and disruptions of business by Labor Board proceedings, have seen fit to yield to the demands of the employees of the Board rather than to subject themselves to the vicissitudes of a proceeding, or to such other industrial conflict as is threatened them, even by the employees of the Board, in the event they do not yield. The various statistics of the Board, shown by their annual reports, show how numerous these compromises and adjustments have been.

If this Board has been impartial in its enforcement of the act, and if its results have been in the public welfare and toward peaceful industry, an investigation would present an opportunity for the Board and its members to clear up the many doubts and criticisms which are being so constantly presented to us.

Mr. FISH. Mr. Speaker, will the gentleman yield for a question.

Mr. COX. Yes; I yield.

Mr. FISH. I would like to ask the gentleman if he knows any reason why proper consideration and proper amendments of the National Labor Relations Act should be blocked in the committees of the House?

Mr. COX. None whatever, sir. I am not charging that any committee of the House is blocking consideration of such amendments, but I do join with others in declaring that there is great need for amendment to the law and that they ought to come without further delay.

Mr. FISH. I would like to ask the gentleman if it is not true that William Green, president of the American Federation of Labor, has stated that the actions of the Board were unfair and prejudicial to the interests of the American Federation of Labor?

Mr. COX. I am not prepared to make answer one way or the other to the gentleman's question. I may say, however, that it is not necessary that I consult what Mr. Green may have said with regard to the behavior of the Board for me to know that their performances have been shameful. In other words, if anyone wants a true picture of that Board, let him read the releases they have given, the reports that the Board have made, the speeches that members have made, the orders they have issued, the decisions they have rendered; and if he is not prepared to admit that they are plain highjackers then I shall have serious concern as to the state of his health. [Applause.]

Mr. FISH. Mr. Speaker, will the gentleman yield for a further question?

Mr. COX. I yield.

Mr. FISH. I am sure the gentleman will agree with me that employers of labor who have also claimed that this Board has been discriminatory and unjust in its dealings have a right, through their spokesmen, to be heard and propose proper and adequate amendments. I am sure the gentleman will agree that there will be no restoration of business confidence in America until this act is properly modified.

Mr. COX. Answering the gentleman, let me say that I feel that some forum ought to be set up where complaining parties might have the right to be heard. Will the gentleman not accept that as my answer to his question?



Mr. FISH. One more question. I want to call the gentleman's attention to the headlines in this afternoon's paper, which are to the effect that peace talks have been indefinitely postponed by labor. It goes on to say that C. I. O. President John L. Lewis announced today that resumption of peace conferences between the C. I. O. and the A. F. of L. have been postponed indefinitely because of the Senate hearings on the Labor Act amendment to begin next Tuesday.

I ask the gentleman, in view of the fact that the Senate is to take up consideration of this issue, if there is any reason why the Rules Committee should not report out the Anderson resolution for investigation?

Mr. COX. I refer the gentleman to the remarks I have just made and shall ask him to accept them as my answer to the question he now propounds.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SPARKMAN). Under the special order of the House heretofore made, the gentleman from Michigan [Mr. CRAWFORD] is recognized for 10 minutes.

#### THE FIFTY MILLION DOLLAR DRY EDIBLE BEAN INDUSTRY

Mr. CRAWFORD. Mr. Speaker, in the States of Michigan, California, New York and Nebraska, Minnesota and Oregon, Idaho and Kansas, Montana and New Mexico, Vermont and Wisconsin, Colorado and Maine, and Wyoming and Arizona we are growing the principal portion of the dry edible beans produced in the United States. In many States of the South, however, we find the production of the delicious black-eyed pea which is consumed in both the green and dried form.

#### LOCATION OF PRODUCTION

In the classification we find among others, the pea and medium white beans, the pintos, the great northern, standard limas, baby limas, red kidneys, pinks, black eyes, and California small whites. Approximately 90 percent of pea beans, the most important commercial class, are grown in Michigan. Pintos are grown mainly in Colorado and New Mexico. About 58 percent of great northern are produced in Idaho, with Wyoming, Montana, Nebraska averaging, respectively, 21, 14, and 6 percent of great northern production. With the exception of red kidneys most of the other named commercial varieties are grown in California and we find New York, Michigan, and California averaging 56, 32, and 9 percent, respectively, of red kidney production.

#### METHOD OF MARKETING

Most of the dry beans are sold through established trade outlets, from grower to consumer, and usually on fairly uniform grade bases. We find that in the principal bean-producing States fairly large numbers of growers and dealers belong to their respective cooperative and marketing organizations. The associations and Mr. Reed K. Pond, economist of the general crops section, United States Department of Agriculture, and Mr. K. T. Wright, of the Michigan State College, and Mr. William P. Smith, of Washington, D. C., have been very helpful in furnishing information contained in this presentation and in preparing publications for reference of those who are interested in obtaining data on this \$50,000,000 industry.

#### BEANS AND SUGAR BEETS

To many of the Members of the House it will be of interest to know that a very high proportion of the dry edible beans are grown in States which constitute important sugar-beet areas. To a great extent the production of beans can be substituted for sugar beets and in turn sugar beets for beans. Therefore, those who are interested in the production and marketing problems of sugar beets are certain to be concerned about the conditions which govern the production, processing, and marketing of dry beans. Out of an average—5-year, 1932–36—crop of beans of 12,179,000 bags Colorado produced 1,327,000 bags and California 3,547,000 bags and Michigan 5,374,000 bags. In the production of beet sugar in the year just closed Colorado produced 6,184,596 bags of sugar—100 pounds—and California 6,742,150 bags,

and Michigan 3,427,364 bags. We also find that Utah, Idaho, Oregon, Montana, Nebraska, Minnesota, Iowa, and other States which grow beans contributed considerable sugar beets and beet sugar.

#### PRICES RECEIVED FOR BEAN CROPS

This is a \$50,000,000 industry. In some localities it is one of the most important cash farm crops and has a definite place in rotation. The acreage planted ranges from one and five-tenths million to 2,000,000 acres annually, and on this acreage there are from 12,000,000 to 15,000,000 bags of 100 pounds each produced, practically all for domestic consumption. There are some 20 distinct types, so "beans" are not just "beans." These commercial types are produced in fairly well-defined areas and consumed by persons with a preference for the respective types. Per capita consumption annually is about 10 pounds. The leading type is the white navy or pea bean, 90 percent produced in Michigan, most of the remainder in New York State. This type comprises about one-third of the total supply of all beans and is sold largely to canners and then to consumers in the form of pork and beans or canned baked beans. A total production of 15,839,000 bags of dry edible beans in 1937—being an all-time high production record—followed by another crop of 15,268,000 bags in 1938 has contributed to a price decline which is averaging far below past price levels. The 5-year average, 1927–31, amounted to \$5.20 per bag of 100 pounds and for the 5-year average, 1932–36, the price was \$3.32, while the 1938 average price was only \$2.63. The March 1939 price was only \$2.54 with no material improvement indicated in the market at the present time.

#### FARMERS' MARKETING METHODS

Throughout the bean-producing areas there are located processing plants and elevators. The farmers deliver their beans to the receiving stations and the beans are then processed through having foreign substance, such as dirt, gravel, clay, and defective beans, screened and hand-picked out of the product that is to later move into the channels of commerce. The beans, when threshed, contain stems, pods, pellets of earth, and cracked, misformed, and discolored beans—this foreign substance and imperfectly formed beans the trade calls "dockage." The service of elevators and processing machinery and hand pickers are required to remove the dockage before the beans are ready to pass into the regular bean trade. The elevators and processing equipment are required to be located within both the economic and geographical area of production, as that term is commonly used and understood. It is of prime importance to have the product free of foreign substance, and accordingly strict grading policies are followed.

The State of Michigan, producing approximately 90 percent of the total navy beans grown in the United States—and this type bean constitutes about 93 percent of Michigan's total bean crop—is the only bean-producing State which has adopted standard grades for dry, edible beans differing from the Federal standards of the United States Department of Agriculture. Other bean-producing States have adopted the Federal standards. For example, Michigan navy beans are graded as Choice Hand Picked, Prime Hand Picked, Choice Recleaned, and Fancy Screened Navy Beans.

The official United States standards for beans, effective elsewhere for grading requirements, are United States No. 1, United States No. 2, United States No. 3, and United States Sample Grade. Handbooks of Official United States Standards for Beans are available for the trade. In all cases official inspection certificates, certifying as to the grade of each car of beans shipped, are issued by the agency in charge within each State. Without this official certificate, and, hence, without the grading, the beans could not be moved to the consumptive market. This is absolutely compelled everywhere by the consumer demand, but, in addition, in Michigan, the recent order of the commissioner of agriculture makes such a certificate, as to navy beans, mandatory.

In the first place, beans, unlike other farm products such as cotton, butter, tobacco, and the grains, have only a single grade upon which the price is quoted in the market news and by which the commodity is known. The market price per hundredweight for top-grade beans becomes the basis in arriving at the price of beans paid to the farmers. The consumptive trade buys beans only on the basis of this grading, starting with the top-grade price and scaling the price as the certified grades descend in the quality scale.

The farmers of the State of Michigan are prohibited by the regulations of the State department of agriculture from even moving their picking stock or field-run beans outside the State of Michigan for use by consumers in that condition. Michigan beans are sold all over the eastern half of America, from Canada to the Gulf, and few devices have helped this distribution more than the system of grades established some 40 years ago. Buyers have learned they can rely on the grading maintaining a high class of beans in the market. The Michigan State Agricultural Department maintains a system of inspection which is so rigidly enforced that field-run beans cannot get into the channels of interstate commerce. In view of the competition of beans from the several States in the trading market it is clear to a demonstration, that the grade and, hence, the handpicking, of beans is an essential prerequisite to the farmer's crop having any market at all in the present day and age. Elevators do not buy the beans for their own use. The farmer does not prepare his crop for sale to the elevator but of necessity, must take whatever steps as are necessary to see that the quality and type of bean shipped meets the demand of the consuming trade. For this work in preparing the crop, the farmer must pay.

The operations are performed by the elevator on behalf of the farmer—for his account—at his expense. This often occurs in an elevator in which the actual bean grower is a part owner. The beans, we may say, are prepared for the market in their raw and natural state and the proportion of the product which moves beyond the elevator screens and the hands of the pickers, is not changed in form or substance. This is a physical condition which all House Members from bean-producing States should consider in the light of recent rulings which have been made by the Administrator of the Wage and Hour Division.

#### AMENDMENTS NECESSARY TO WAGE AND HOUR ACT

For the purpose of assisting House Members to get a grasp of discriminatory rulings which have been made against bean growers, and in my opinion in violation of the intents and purposes of the Wage and Hour Act, I wish to submit the following information which deals specifically with the Michigan situation. By using this formula other Members of the House can inform themselves with reference to their own State's bean industry:

Quotations from page 15 of Memorandum Submitted by the Administrator of the Wage and Hour Division to Senator THOMAS, Chairman of the Committee on Education and Labor, in the Senate as a Report on S. 2008:

"In general the application of the minimum wage rates to employers engaged in such operations (i. e., agricultural industries) will not decrease the price paid the farmer for his produce."

This broad statement is not applicable to the dry edible bean industry, where the amount paid for handpicking or sorting the beans to standard commercial grades required for marketing is directly deducted from the price paid the farmer for his beans, delivered by him in "thresher run" condition.

But the Administrator of the Wage and Hour Division further says:

"Even if most of the increased cost were theoretically to be deducted from the price paid the farmer, the proportion of the increased cost to total cost is so minute that it could not be practically translated into a lower price to the farmer per unit expressed in normal fractions of a cent."

In the dry edible bean industry it does not require the use of fractions to show the lower price the farmer will receive for his beans.

Recently posted farm price for pea or navy beans in Michigan and New York State, \$1.70.

But this price is for choice hand picked, and the beans are delivered by the farmer in "thresher run" or "field run" condition. This means they have a certain percentage of culls which must be sorted out before the beans can enter the consuming market.

This percentage of culls, known as "pickage," may run from 2 percent to 10, 15, or 20 percent, depending upon the weather during the growing season and harvesting. In Michigan in 1936 it averaged 10 percent for the entire State.

Women bean pickers are paid 7 cents per pound for the culls they pick out, and this amount is deducted from the price paid the farmer. That is, if his beans have 10 pounds of culls per hundredweight, the sum of 10 times 7 cents, or 70 cents, will be deducted from the posted farm price, and he will receive \$1.

Marketing specialists of the economics department, Michigan State College, after careful study, have computed that application of the minimum-wage provisions to these bean pickers will have the following results:

If required to pay 25 cents per hour, the elevator must deduct 9.6 cents per pound of culls. On a 10-pound pick this means the farmer will have deducted the sum of 96 cents per hundredweight, and will receive 74 cents.

If required to pay 30 cents per hour, the elevator must deduct 11.5 cents per pound of culls. On a 10-pound pick this means the farmer will have deducted the sum of \$1.15 per hundredweight, and will receive 55 cents.

If required to pay 40 cents per hour, the elevator must deduct 15.4 cents per pound of culls. On a 10-pound pick this means the farmer will have deducted the sum of \$1.54 per hundredweight, and will receive 16 cents.

Production data of beans—Average pick (percent culls, etc.), Michigan, 1914-38

Year:	Percent pick
1914.....	9.2
1915.....	17.7
1916.....	11.0
1917.....	22.6
1918.....	8.0
1919.....	4.5
1920.....	3.5
1921.....	7.0
1922.....	8.5
1923.....	8.0
1924.....	6.5
1925.....	10.7
1926.....	17.9
1927.....	7.0
1928.....	5.5
1929.....	2.5
1930.....	2.5
1931.....	5.0
1932.....	3.5
1933.....	3.5
1934.....	6.7
1935.....	4.0
1936.....	10.0
1937.....	2.0
1938.....	<sup>1</sup> 6.0

<sup>1</sup> Preliminary estimate.

The incidence of the picking charge on the pea or navy beans

[Posted farm price per hundredweight, \$1.70; 10-pound "pick" or culls—Michigan average, 1936]

Wage minimum, Fair Labor Standards Act	Pay pickers per pound	Deduct from farmer per pound	Total deducted from farmer	Farmer receives for his beans
	Cents	Cents		
25 cents per hour.....	7.0	7.0	\$0.70	\$1.00
30 cents per hour.....	9.6	9.6	.96	.74
35 cents per hour.....	11.5	11.5	1.15	.55
40 cents per hour.....	15.4	15.4	1.54	.16

#### Dry edible beans

Commercial classes	Total United States production		Leading State	Production in class (thous- and bags)
	Year	Thous- and bags		
Pea and Medium White.....	1937	4,471	Michigan.....	3,878
	1938	4,676	do.....	4,024
Great Northern.....	1937	2,162	Idaho.....	1,316
	1938	1,671	do.....	991
Limas.....	1937	2,561	California.....	2,561
	1938	2,259	do.....	2,259
Pintos.....	1937	1,684	Colorado.....	687
	1938	2,344	do.....	1,408
Others.....	1937	4,704	Others and above States.....	7,140
	1938	4,318		6,586
Total, United States.....	1937	15,582		15,582
	1938	15,268		15,268



## Acreage harvested and acreage production

State	Acreage harvested (acres)			Production (bags) <sup>1</sup>		
	Average, 1927-36	1937	1938	Average, 1927-36	1937	1938
Maine.....	8,000	9,000	11,000	63,000	80,000	101,000
Vermont.....	3,000	3,000	3,000	20,000	20,000	19,000
New York.....	124,000	158,000	161,000	907,000	1,264,000	1,449,000
Michigan.....	577,000	461,000	466,000	3,734,000	4,333,000	4,567,000
Wisconsin.....	6,000	4,000	2,000	24,000	15,000	8,000
Minnesota.....	6,000	3,000	3,000	20,000	12,000	14,000
Nebraska.....	11,000	22,000	19,000	70,000	231,000	190,000
Kansas.....	9,000	21,000	16,000	34,000	252,000	216,000
Montana.....	29,000	135,000	108,000	1,401,000	1,836,000	1,566,000
Idaho.....	31,000	59,000	48,000	325,000	649,000	470,000
Wyoming.....	336,000	244,000	312,000	1,107,000	781,000	1,498,000
Colorado.....	154,000	184,000	166,000	530,000	681,000	531,000
New Mexico.....	8,000	9,000	11,000	38,000	45,000	64,000
Arizona.....	2,000	2,000	2,000	10,000	14,000	12,000
Oregon.....	312,000	386,000	343,000	3,479,000	5,369,000	4,563,000
California.....						
Total, United States.....	1,731,000	1,700,000	1,671,000	12,053,000	15,582,000	15,268,000

<sup>1</sup> Bags of 100 pounds.<sup>2</sup> Short-time average.

## THE LAW, REGULATIONS, AND LEGISLATIVE HISTORY

The Fair Labor Standards Act of 1938 provides in section 13:

"(a) The provisions of sections 6 and 7 shall not apply with respect—

(10) to any individual employed within the area of production (as defined by the Administrator), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products."

Under authority of the above congressional direction to define the "area of production," the Administrator on October 20, 1938, issued part 536 of his regulations, which, insofar as pertinent here, provide:

"Sec. 536.2. 'Area of production' as used in section 13 (a) (10) of the Fair Labor Standards Act: An individual shall be regarded as employed in the 'area of production' within the meaning of section 13 (a) (10) in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products.

"(b) If the agricultural or horticultural commodities are obtained by the establishment where he is employed from farms in the immediate locality and the number of employees in such establishment does not exceed seven."

In the first place, it must be conceded by all concerned that there is no basis provided anywhere in the act for that portion of the above-quoted regulation limiting application of the exemption to establishments within the "area of production" which have not in excess of seven employees.

The fallacy of such a numerical restriction is well illustrated by this exact proceeding. The testimony at the public hearing showed numerous instances wherein there were from 5 to 10 or more elevators located within a radius of 10 miles and all drawing beans to some extent from that single area. None of them employed as few as seven individuals in picking beans; but assuming one of them did, what possible justification is there in law, equity, or reason to say that such elevator is within the area of bean production, while the elevator located across the street, perhaps, or next door, but having eight employees, is outside the area of production? The mere statement of the question is itself sufficient to show the answer; any argument is wholly specious. Obviously, the Administrator has no power, under the direction given him by Congress, to alter, amend, or render meaningless the statutory provisions. But this certainly is what he has done here, for the "area of production" of agricultural commodities patently has no reference to number of employees. An executive officer cannot write into a statute something which is not there.

Mr. PACE. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Georgia.

Mr. PACE. Is the gentleman familiar with the so-called Barden amendments to the Wage Hour Act?

Mr. CRAWFORD. I am referring only to the amendments offered by the Labor Committee.

Mr. HAWKS. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Wisconsin.

Mr. HAWKS. I have seen the Barden amendments, and they will correct this situation almost entirely. What applies to beans, I am sure the gentleman from Michigan will

agree with me, applies to every farm product that comes within the provisions of this act?

Mr. CRAWFORD. And particularly those farm products which are passed from the processing plant to the consumer's table without material change in form.

Mr. HAWKS. And the farmer is the one who is going to suffer the most?

Mr. CRAWFORD. Exactly.

[Here the gavel fell.]

## PERMISSION TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, at the conclusion of the special orders today, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

Mr. PATMAN. Mr. Speaker, at the conclusion of the address by the distinguished gentleman from Ohio [Mr. BENDER] I ask unanimous consent to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. GRISWOLD. Mr. Speaker, at the conclusion of the address by the gentleman from Texas [Mr. PATMAN] I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. GRISWOLD]?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes at the conclusion of the address by the gentleman from Wisconsin [Mr. GRISWOLD].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Under a special order previously entered, the gentleman from Mississippi [Mr. RANKIN] is recognized for 30 minutes.

## T. V. A. VINDICATED

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein certain data which I have had prepared.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, at last the T. V. A. has been vindicated.

The Joint Committee Investigating the Tennessee Valley Authority, after 9 months of critical scrutiny, has filed its report, giving the T. V. A. a clean bill of health.

Unfortunately three minority members of the committee, Senator JAMES J. DAVIS, of Pennsylvania, Representative CHARLES A. WOLVERTON, of New Jersey, and Representative THOMAS A. JENKINS, of Ohio have filed a minority report, which attacks the T. V. A. yardstick. It is principally a rehash of the propaganda that has been spread by private power interests and holding-company propagandists ever since the Tennessee Valley Authority was created.

It is even charged by certain news writers that this minority report was prepared by a utility ghost writer. Whether that is true or not, I do not know, but it certainly sounds like it.

Its attack on the T. V. A. yardstick ought to carry the heading "The Hand of Esau and the Voice of Jacob." From this minority report it is plain that these gentlemen would destroy this yardstick and deliver to the Power Trust the birthright, not only of the people of Pennsylvania, New Jersey, and Ohio, but that of all the people of the entire United States who have to pay electric light and power bills, now and for generations to come.

Let me repeat what I have said before: The T. V. A. is the greatest development of ancient or modern times. Its yardstick is a golden wand for the protection of the electric light and power consumers in every State of this Union.

That is the reason the Power Trust wants to get rid of it; it is showing the American people what electricity is really worth, and by its very example is forcing reductions of light and power rates in every community in America.

It is saving the American people now \$625,000,000 a year on their light and power bills, which is more than twice the amount of all the money expended, or to be expended, in the construction and development of the T. V. A.

Here is the proof of that statement: In 1932, the year before the Tennessee Valley Authority was created, the American people used 62,000,000,000 kilowatt-hours of electricity for which they paid \$1,803,000,000.

In 1933 the Tennessee Valley Authority was created, and its yardstick rates were promulgated. The Power Trust went into a frenzy of excitement. For the first time in history a yardstick had been established to show the people of this country what electricity is really worth. The people began to demand relief, with the result that rates were gradually forced down.

In 1937 the American people used 99,446,000,000 kilowatt-hours of electricity for which they paid \$2,229,922,000. Under the rates paid by them for the 62,000,000,000 kilowatt-hours in 1932 the cost of this 99,446,000,000 kilowatt-hours would have been \$2,854,000,000—or \$625,000,000 more than they actually paid.

This saving of \$625,000,000 a year was brought about by the rate reductions for which the T. V. A. yardstick is more responsible than all other influences combined.

At the rates paid in 1937 these 62,000,000,000 kilowatt-hours which cost the American people \$1,803,000,000 in 1932 would have cost only \$1,393,410,000, or \$410,000,000 less. What a pity we could not have had a T. V. A. yardstick back in those days.

If there had been no increase in consumption, the rate reductions brought about by this yardstick and its influence would have saved the American people \$410,000,000 a year on their light and power bills in 1932.

I am breaking these savings down by States in order that the people in every State in this Union may understand what the T. V. A. is doing for them. I hope everyone who reads this RECORD will scan these figures carefully and see just what these reductions mean to him. Then he can understand why the Power Trust is willing to spend millions of dollars annually for propaganda purposes and for campaign expenses of subservient politicians in order to try to destroy the T. V. A. yardstick—the greatest weapon ever placed in the hands of the American people for their protection against a ruthless, greedy monopoly that reaches into every home and every business establishment that uses electric power, and levies a tax in the form of overcharges that amounts, even now, after all these reductions, to approximately \$1,000,000,000 a year.

As I said, the electric consumers of this country save \$625,000,000 a year on their light and power bills. I am breaking that down by States in a table which I am inserting at this point:

*Electric rate savings, 1937, by States*

Alabama.....	\$8,350,000
Arizona.....	1,640,000
Arkansas.....	3,740,000
California.....	36,400,000
Colorado.....	5,500,000
Connecticut.....	12,700,000
Delaware.....	670,000
Florida.....	12,100,000
Georgia.....	8,350,000
Idaho.....	3,315,000
Illinois.....	72,400,000
Indiana.....	22,800,000
Iowa.....	7,460,000
Kansas.....	5,270,000
Louisiana.....	3,950,000
Maine.....	2,190,000
Maryland and District of Columbia.....	14,920,000
Massachusetts.....	32,700,000
Michigan.....	16,100,000
Minnesota.....	6,150,000

*Electric rate savings, 1937, by States—Continued*

Mississippi.....	3,730,000
Missouri.....	13,250,000
Montana.....	4,380,000
Nebraska.....	5,480,000
Nevada.....	250,000
New Hampshire.....	2,640,000
New Jersey.....	20,200,000
New Mexico.....	1,970,000
New York.....	74,150,000
North Carolina.....	4,380,000
North Dakota.....	1,315,000
Ohio.....	59,700,000
Oklahoma.....	4,170,000
Oregon.....	5,700,000
Pennsylvania.....	77,500,000
Rhode Island.....	4,482,000
South Carolina.....	2,190,000
South Dakota.....	1,755,000
Tennessee.....	1,318,000
Texas.....	15,600,000
Utah.....	6,800,000
Vermont.....	1,315,000
Virginia.....	2,640,000
Washington.....	7,900,000
West Virginia.....	7,215,000
Wisconsin.....	17,750,000
Wyoming.....	515,000
Total.....	625,000,000

These are the amounts saved on their electric light and power bills by the people of each State during the year 1937, as compared with the amounts they would have paid under the rates in effect in 1932—the year before the T. V. A. was created.

No wonder the Power Trust is trying to destroy the T. V. A. yardstick.

I have been surprised at the attacks of the gentleman from Ohio [Mr. JENKINS] on this yardstick, which is doing more for the people of Ohio than any other one thing that has been done by this Government in his day and mine.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio for a question.

Mr. JENKINS of Ohio. The gentleman surely cannot claim, without regard to any iniquities that the power people might practice—

Mr. RANKIN. I yielded for a question. I do not yield for a speech.

Mr. JENKINS of Ohio. All right; the gentleman surely cannot claim that anything that has been done in the T. V. A. has reflected itself yet in the power rates in the State of Ohio.

Mr. RANKIN. Yes; I have just showed that. You did not have any power-rate reductions until the T. V. A. was created and its yardstick rates put into effect and published throughout the country.

Mr. JENKINS of Ohio. Will the gentleman yield a little further there?

Mr. RANKIN. I yield for a question.

Mr. JENKINS of Ohio. The gentleman is a great power expert. Is it not true that the power rates in every corner of the United States have been gradually coming down in the last few years?

Mr. RANKIN. Yes; ever since the T. V. A. was created and its yardstick rates promulgated; up to that time they had not.

At this point I am inserting a table showing the number of kilowatt-hours of electricity used in each State in 1937, the amount paid for it, and the amount of overcharges according to the T. V. A. rates, the Tacoma, Washington rates, and the Ontario, Canada rates. Even with all the reductions that have been made in light and power rates since the creation of the T. V. A., you will note from this table that the American people are still overcharged from \$920,973,700 under the T. V. A. rates, to \$1,172,612,900 under the Ontario rates.



The table referred to follows:

TABLE 4.—Total electric sales data, 1937

State	Estimated sales data for 1937			Estimated revenues and consumer overcharges according to rates in effect in—					
	Number of customers	Total kilowatt-hours	Total revenues	Tennessee Valley Authority		Tacoma, Wash.		Province of Ontario, Canada	
				Revenues	Overcharges	Revenues	Overcharges	Revenues	Overcharges
Alabama	232,346	1,595,179,000	\$23,813,100	\$15,495,600	\$8,317,500	\$12,840,900	\$10,972,200	\$12,791,400	\$11,021,700
Arizona	78,998	500,866,000	9,016,000	3,885,800	5,130,200	3,361,900	5,654,100	3,171,300	5,844,700
Arkansas	139,604	438,613,000	13,171,600	6,701,100	6,470,500	5,659,100	7,512,500	5,509,500	7,662,100
California	2,105,614	8,303,043,000	161,837,500	129,214,400	32,623,100	107,359,200	54,478,300	105,804,500	56,033,000
Colorado	223,917	569,041,000	17,523,700	9,510,100	8,013,600	8,018,800	9,504,900	7,770,100	9,753,600
Connecticut	487,036	1,456,475,000	40,286,600	21,634,900	18,661,700	18,291,100	22,005,500	16,833,100	23,463,500
Delaware	53,712	201,454,000	4,685,300	2,604,600	2,080,700	2,334,900	2,350,400	2,113,800	2,871,500
District of Columbia	153,001	648,553,000	12,832,200	9,851,900	2,980,300	8,981,000	3,851,200	7,865,400	4,968,800
Florida	307,808	734,715,000	29,986,700	12,856,500	17,130,200	11,378,200	18,608,500	10,244,200	19,742,500
Georgia	280,442	1,550,622,000	32,315,300	20,231,300	12,084,000	17,064,100	15,251,200	16,619,400	15,695,900
Idaho	102,327	529,422,000	9,522,600	5,664,200	3,858,400	4,657,200	4,865,400	4,668,000	4,854,000
Illinois	1,966,877	7,307,350,000	167,164,900	94,188,000	21,487,000	82,445,500	84,716,400	75,787,600	91,377,300
Indiana	772,696	2,597,909,000	64,258,700	32,771,700	15,074,100	17,193,600	17,853,300	16,190,200	18,856,700
Iowa	508,811	1,163,781,000	35,046,900	19,972,800	15,074,100	17,193,600	17,853,300	16,190,200	18,856,700
Kansas	357,006	961,261,000	25,729,400	16,791,500	8,937,900	15,365,600	10,363,800	13,278,600	12,450,800
Kentucky	306,901	978,131,000	23,501,200	14,292,600	9,208,600	12,618,900	10,882,300	11,575,000	11,926,200
Louisiana	249,473	907,452,000	22,619,700	10,990,700	11,629,000	9,365,700	13,254,500	8,960,700	13,650,000
Maine	208,792	672,163,000	14,891,000	8,060,000	6,831,000	7,099,500	7,791,500	6,523,400	8,367,600
Maryland	389,765	1,644,889,000	33,757,500	20,476,700	13,280,800	17,650,900	16,106,600	16,651,300	17,106,200
Massachusetts	1,282,785	2,977,327,000	87,588,600	43,051,400	44,537,200	38,148,700	49,439,900	34,415,100	53,173,500
Michigan	1,247,498	4,882,763,000	102,743,900	62,945,500	39,798,400	55,177,700	47,566,200	50,761,700	51,982,200
Minnesota	536,830	1,408,297,000	40,310,600	21,407,400	18,903,200	19,126,400	21,184,200	17,072,200	23,238,400
Mississippi	118,682	389,471,000	11,077,800	5,681,000	5,398,800	4,814,400	6,263,400	4,649,100	6,428,700
Missouri	733,142	2,405,380,000	60,166,000	35,516,600	24,649,400	31,432,900	28,733,100	28,632,800	31,533,200
Montana	105,080	1,338,737,000	14,061,800	9,855,700	4,206,100	7,484,400	6,577,400	8,351,600	5,710,200
Nebraska	251,865	590,455,000	20,025,800	12,160,000	7,865,800	11,419,600	8,606,200	9,702,200	10,323,600
Nevada	23,713	115,352,000	2,848,200	1,506,000	1,342,200	1,236,200	1,612,000	1,209,200	1,639,000
New Hampshire	135,479	305,604,000	9,165,200	4,575,400	4,589,800	3,894,900	5,270,300	3,694,300	5,470,900
New Jersey	1,207,842	3,070,594,000	94,549,900	45,197,700	49,352,200	41,219,600	53,330,300	35,902,500	58,647,400
New Mexico	45,100	94,163,000	3,777,100	1,595,100	2,182,000	1,439,400	2,337,700	1,284,100	2,493,000
New York	3,897,060	13,511,103,000	292,669,200	150,384,300	142,284,900	137,907,800	154,761,400	119,835,500	172,833,700
North Carolina	342,410	2,009,077,000	37,654,800	25,198,300	12,456,500	19,933,700	17,721,100	21,065,400	16,589,400
North Dakota	79,863	120,892,000	6,133,500	3,054,200	3,079,300	2,902,500	3,281,000	2,416,600	3,716,900
Ohio	1,773,382	6,945,292,000	156,110,800	102,271,500	53,839,300	86,285,700	69,825,100	83,244,800	72,866,000
Oklahoma	303,454	989,956,000	25,374,800	13,004,200	11,770,600	11,535,100	13,839,700	11,104,100	14,270,700
Oregon	277,573	1,071,551,000	21,553,500	14,835,200	6,717,300	12,878,900	8,674,600	12,043,300	9,510,200
Pennsylvania	2,288,118	10,075,185,000	207,623,800	119,198,600	88,425,200	99,622,800	108,001,000	97,540,800	110,083,000
Rhode Island	199,708	554,315,000	16,204,300	8,511,000	7,693,300	7,049,000	9,155,300	6,965,100	9,240,200
South Carolina	140,332	1,020,018,000	18,413,000	11,617,700	6,795,300	9,163,400	9,249,600	9,736,000	8,677,000
South Dakota	89,016	147,425,000	6,304,000	3,103,400	3,200,600	2,839,600	3,464,400	2,480,400	3,823,600
Tennessee	305,757	1,390,569,000	28,255,000	16,825,700	11,429,300	14,438,700	13,816,300	13,063,800	14,591,200
Texas	841,872	2,858,644,000	70,380,500	37,753,200	32,627,300	33,185,900	37,194,600	30,484,900	39,895,600
Utah	123,327	782,424,000	13,235,500	7,714,700	5,520,800	6,188,500	7,049,000	6,425,300	6,810,200
Vermont	88,252	208,307,000	6,080,700	3,681,400	2,999,300	3,084,200	3,596,500	3,001,600	3,679,100
Virginia	334,256	1,204,653,000	28,492,000	16,630,000	11,862,000	14,221,400	14,221,400	13,503,800	14,988,200
Washington	471,778	2,428,407,000	34,147,300	24,460,900	9,686,400	21,566,600	12,580,700	19,623,200	14,524,100
West Virginia	237,549	1,651,343,000	27,823,600	17,680,200	10,143,400	14,216,600	13,607,000	14,745,400	13,078,200
Wisconsin	709,181	2,043,641,000	51,181,600	29,246,300	21,935,300	25,234,500	25,947,100	23,692,200	27,489,400
Wyoming	39,707	94,280,000	3,399,700	1,489,700	1,910,000	1,281,700	2,118,000	1,206,600	2,193,100
Total	27,163,987	99,446,364,000	2,229,922,400	1,305,948,700	923,973,700	1,129,084,400	1,100,838,000	1,057,309,500	1,172,612,900

Mr. JENKINS of Ohio. If the gentleman will permit just one other question: If on cross-examination I made the principal T. V. A. power man state that there was no such thing as a T. V. A. yardstick, then what would the gentleman say about all these speeches he has been making about the T. V. A. yardstick when they admit themselves that there is no such thing?

Mr. RANKIN. I do not know what the witness may have admitted, but I do know that there is a yardstick, and we are using it in the T. V. A. area and it is going to spread to Ohio, and all over Ohio, and all over the whole country. It will save the people of Ohio, in the purchase of this power for all purposes, \$53,839,300 a year. That is the amount the people of Ohio were overcharged for electricity during the year 1937 as the table which I have just inserted will show. That is according to the T. V. A. rates. According to the Ontario rates they were overcharged \$72,866,000.

Mr. JENKINS of Ohio. But that is just the same as saying that if you could raise oranges in Ohio at the same cost you raise them in Florida, you could have them cheaper.

Let me ask the gentleman one further question. Is it not true that practically every town in the T. V. A. territory has a different rate?

Mr. RANKIN. No.

Mr. JENKINS of Ohio. Do not many of the towns down there that get power from the T. V. A. have different rates, and therefore how can you have a yardstick?

Mr. RANKIN. No; that is where "the gentleman has misinformed himself incorrectly," as the darkey said.

Mr. JENKINS of Ohio. The record shows they do.

Mr. RANKIN. The record does not show anything of the kind.

Mr. JENKINS of Ohio. Then we disagree, do we not?

Mr. RANKIN. Certainly; and if the gentleman had come to me I would have shown him the facts, but the trouble is this ghost writer or someone else has evidently misled the gentleman from Ohio.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield to me right there?

Mr. RANKIN. Yes.

Mr. JENKINS of Ohio. I did not intend to stop the gentleman in his discourse about the ghost writer, but if the gentleman from now on ever wants to tell the truth, he would have to say that no ghost writer or anybody else wrote that report except Mr. CHARLES WOLVERTON, of New Jersey; Mr. JAMES J. DAVIS, of Pennsylvania; and myself. That is the truth, and if the gentleman makes any other statement, he makes it with the knowledge that that is the truth.

Mr. RANKIN. If you gentlemen wrote that report, with as little as you know about the subject, then I am not surprised at these errors, because I do not know of three men who apparently know less about the power question than the three gentlemen he has named, judging from their utterances on the floor.

I am not charging that a ghost writer wrote that minority report, but it certainly sounds like it. It is the same propaganda and in the same verbiage that has been spread by the friends of the Power Trust ever since the T. V. A. was first created.

Now, let us get back to this question of the T. V. A. and the different rates at home and elsewhere.

I invite everyone who hears me or reads this RECORD to send to the Federal Power Commission in Washington and get a copy of the electric rates, one for Mississippi, one for Pennsylvania, and one for Ohio, and other States, at a cost of only 10 cents each, and figure these rate comparisons out for himself. He will find that, based upon the rates in his home town or community, the overcharges are at least as great as these tables indicate. Even one of those Power Trust professors, who had been teaching in Ohio during the Harding-Coolidge-Hoover regime and was writing schoolbooks for the State of Ohio, which the gentleman possibly studied if he had not got out of school by that time—even one of those Power Trust professors could figure these comparisons out and show that the people of Ohio are overcharged every year that rolls around, according to the T. V. A. rates, \$53,839,000. Yes; even a school child can do it.

Now, I am going to insert a table showing the overcharges to residential consumers by States.

For instance, we will take the home State of the gentleman from Ohio [Mr. JENKINS], who signed this minority report. You will note there are 1,437,395 residential consumers of electricity in the State of Ohio, and that during the year 1937 they used 1,140,613,000 kilowatt-hours of electric energy. That was an average of 66 kilowatt-hours a month, which cost a consumer in Ohio on an average \$2.94 a month. Under the T. V. A. rates it would have cost \$1.82, or a difference of \$1.12 a month, or an annual difference of more than \$18,000,-

000, whereas the table I am inserting shows an annual overcharge of only \$15,932,000.

I make this comparison to show you that the figures contained in this table are extremely conservative.

Cleveland, Ohio, has one of the finest municipally owned and operated power systems in America. In Cleveland this municipally owned and operated system sells 66 kilowatt-hours of electricity a month to residential consumers for \$1.92, or \$1.02 a month less than is charged by the private power companies, on an average, throughout the State. If the residential consumers throughout the State of Ohio received their power at the rates charged by this municipal system in Cleveland, the savings would be more than \$17,000,000 a year.

I invite everyone who hears me or who reads this RECORD to send to the Federal Power Commission, Washington, D. C., and get a copy of the Electric Rate Survey for Mississippi, Pennsylvania, Ohio, and for his own State, at a cost of only 10 cents each, and figure these rates out for himself. He will find that based upon the rates in his home town or home community the overcharges are at least as great as these tables indicate.

Even one of those Power Trust professors that the utilities had on their pay roll in Ohio and in other States a few years ago can figure this out and substantiate the overcharges indicated by these tables.

The tables referred to follow:

TABLE 1.—Residential electric sales, 1937

State	Estimated sales data for 1937			Estimated revenues and consumer overcharges compared with rates in effect in—					
	Number of customers	Total kilowatt-hours	Total revenues	Tennessee Valley Authority		Tacoma, Wash.		Province of Ontario, Canada	
				Revenues	Overcharges	Revenues	Overcharges	Revenues	Overcharges
Alabama	170,236	173,280,000	\$5,842,500	\$3,885,300	\$1,957,200	\$3,832,700	\$2,009,800	\$2,775,200	\$3,067,300
Arizona	59,011	44,969,000	2,782,400	1,090,700	1,691,700	1,074,000	1,703,400	779,100	2,003,300
Arkansas	100,827	64,397,000	3,802,200	1,714,800	2,087,400	1,688,200	2,114,000	1,224,300	2,577,900
California	1,446,636	53,589,800	37,566,500	16,023,300	37,030,600	16,559,200	26,794,900	26,794,900	26,794,900
Colorado	176,194	112,909,000	5,944,800	2,930,800	3,014,000	2,889,200	3,055,600	2,092,600	3,852,200
Connecticut	403,502	323,241,000	15,845,500	8,065,400	7,780,100	7,954,500	7,891,000	5,751,900	10,093,600
Delaware	41,706	33,557,000	1,709,500	835,900	873,600	824,000	885,500	596,600	1,112,900
District of Columbia	131,455	135,951,000	4,088,900	3,197,500	891,400	3,152,500	936,400	2,281,600	1,807,300
Florida	248,687	239,607,000	12,707,900	5,324,600	7,383,300	5,248,400	7,459,500	3,799,700	8,908,200
Georgia	209,611	240,879,000	8,365,600	5,345,600	3,020,000	5,270,300	3,095,300	3,814,700	4,550,900
Idaho	67,537	96,138,000	2,982,400	1,544,900	1,437,500	1,544,900	1,437,500	1,100,500	1,881,900
Illinois	1,646,725	1,262,575,000	55,939,200	33,731,300	22,207,900	33,227,900	22,711,300	24,053,900	31,885,300
Indiana	607,088	407,199,000	19,602,900	11,056,000	8,546,900	10,899,200	8,703,700	7,880,400	11,722,500
Iowa	393,838	256,276,000	12,807,600	6,685,600	6,122,000	6,595,900	6,211,700	4,777,200	8,030,400
Kansas	275,375	187,509,000	9,288,400	7,114,900	2,173,500	7,012,700	2,275,700	5,080,800	4,207,600
Kentucky	243,980	167,801,000	7,382,700	4,363,200	3,019,500	4,304,100	3,078,600	3,115,500	4,267,200
Louisiana	198,477	120,686,000	7,255,900	3,272,400	3,983,500	3,221,600	4,034,300	2,336,400	4,919,500
Maine	156,950	93,554,000	5,287,600	2,495,700	2,791,900	2,458,700	2,828,900	1,781,900	3,505,700
Maryland	317,382	254,038,000	10,483,100	6,289,900	4,193,200	6,205,000	4,277,100	4,486,800	5,996,300
Massachusetts	1,074,065	662,834,000	33,575,300	16,552,600	17,022,700	16,317,600	17,257,700	11,818,500	21,756,800
Michigan	998,107	896,580,000	32,508,300	21,683,000	10,825,300	21,358,000	11,150,300	15,474,000	17,034,300
Minnesota	422,116	356,869,000	14,427,900	8,454,700	5,973,200	8,339,300	6,088,600	6,030,900	8,397,000
Mississippi	84,585	68,311,000	3,320,800	1,647,100	1,673,700	1,623,900	1,696,900	1,175,600	2,145,200
Missouri	593,424	489,880,000	19,719,500	11,733,100	7,986,400	11,575,300	8,144,200	8,380,800	11,338,700
Montana	82,540	74,078,000	3,054,800	1,588,500	1,466,300	1,567,100	1,487,700	1,133,300	1,921,500
Nebraska	195,346	150,459,000	6,962,100	3,829,200	3,132,900	3,773,500	3,188,600	2,729,100	4,233,000
Nevada	17,680	18,867,000	794,200	351,000	443,200	302,700	491,500	219,400	574,800
New Hampshire	104,891	64,908,000	3,635,500	1,694,100	1,941,400	1,668,700	1,966,800	1,207,000	2,428,500
New Jersey	988,703	640,527,000	36,004,300	17,894,100	18,110,200	17,642,100	18,362,200	12,781,500	23,222,800
New Mexico	33,146	23,648,000	1,321,200	500,700	820,500	494,100	827,100	358,000	963,200
New York	3,176,420	2,073,310,000	101,416,400	54,562,000	46,854,400	53,750,700	47,665,700	38,943,900	62,472,500
North Carolina	268,096	234,546,000	9,370,000	5,415,900	3,954,100	5,340,900	4,029,100	3,860,400	5,509,600
North Dakota	56,494	45,202,000	2,175,000	1,100,600	1,074,400	1,085,300	1,089,700	785,200	1,389,500
Ohio	1,437,395	1,140,613,000	45,522,300	29,589,500	15,932,800	28,724,600	16,797,700	20,758,200	24,764,100
Oklahoma	226,674	157,068,000	8,491,200	4,169,200	4,322,000	4,109,700	4,381,500	2,980,400	5,510,800
Oregon	205,925	267,273,000	7,794,300	4,645,400	3,148,900	4,575,300	3,219,000	3,312,600	4,481,700
Pennsylvania	1,831,416	1,431,186,000	66,993,400	36,042,400	30,951,000	35,573,500	31,419,900	25,725,500	41,267,900
Rhode Island	169,011	94,606,000	5,714,300	2,640,000	3,074,300	2,600,900	3,114,300	1,880,000	3,834,300
South Carolina	102,719	100,690,000	3,871,500	2,280,300	1,591,200	2,249,300	1,622,200	1,626,000	2,245,500
South Dakota	68,531	46,842,000	2,381,500	1,133,600	1,247,900	1,116,900	1,264,600	807,300	1,574,200
Tennessee	230,714	240,809,000	8,619,500	5,438,900	3,180,600	5,361,300	3,258,200	3,878,800	4,740,700
Texas	653,496	484,045,000	23,957,200	11,978,600	11,978,600	11,786,900	12,170,300	8,528,800	15,428,400
Utah	88,986	81,685,000	3,323,600	1,678,400	1,645,200	1,651,800	1,671,800	1,196,500	2,127,100
Vermont	65,221	43,918,000	2,527,300	1,213,100	1,314,200	1,197,900	1,329,400	866,900	1,660,400
Virginia	258,693	240,605,000	10,218,400	5,426,000	4,792,400	5,344,200	4,874,200	3,872,800	6,345,600
Washington	362,453	479,321,000	12,298,000	8,485,600	3,812,400	8,374,900	3,923,100	6,062,900	6,235,100
West Virginia	190,945	140,756,000	6,371,800	3,721,100	2,650,700	3,670,200	2,701,600	2,657,000	3,714,800
Wisconsin	539,486	443,166,000	17,236,600	9,824,900	7,411,700	9,687,000	7,549,600	7,015,300	10,221,300
Wyoming	30,231	21,685,000	1,203,500	499,500	704,000	492,200	711,300	336,200	847,300
Total	21,697,515	16,875,489,000	740,518,600	422,284,100	318,234,500	415,790,300	324,728,300	300,946,800	439,571,800



I ask any man with common sense and common honesty to read this table carefully and tell me how the domestic consumers of electricity in his State can continue to bear the enormous burden of these exorbitant overcharges.

Oh, I know the utilities and their spokesmen will come back and raise the question of taxes. Let me call your attention to the fact that the city of Tacoma, Wash., which has its own generating plant and distribution systems, pays more taxes for the amount of power produced and distributed than any private power company in America. Look at these tables and see what the overcharges in your State amount to compared with the Tacoma rates.

The T. V. A. pays 5 percent of its gross earnings to the States in which the dams are located in lieu of taxes, and the municipal plants invariably give to the city in lieu of taxes, either in money or service, more than the taxes amount to if their power were supplied by a private company.

Besides the taxes paid by private power interests for all purposes, including taxes, amount to only about 1 mill a kilowatt-hour. One mill a kilowatt-hour for all the power used last year would amount to \$99,000,000, which taken from the overcharges of \$1,172,000,000, according to the Ontario rates, would still leave an overcharge of \$1,073,000,000.

The gentleman from Ohio said we had different rate schedules for different localities in the T. V. A. area. The only difference in the rates is this—

Mr. JENKINS of Ohio. There is a difference then, is there?

Mr. RANKIN. No; there is no difference in the rates, but in the towns that did not own their distribution systems and had to buy them, they pay 1 cent extra a kilowatt-hour up to 100 kilowatt-hours a month to amortize their distribution systems.

That is all the difference there is, and if the gentleman had even made a casual examination, he would have found that out.

But the utilities spokesman always raises the question of taxes. Let me call attention to the fact that the city of Tacoma, Wash., which has its own generating plant and distribution system, pays more taxes for the amount of power produced and distributed than any private power company in America. Any private power company in America can reduce its rates to the Tacoma levels and make a profit if it will get rid of the useless holding company that usually controls it and eliminate the waste and graft. Let us see what the State of Ohio would pay if it had the Tacoma rate. Run down the list and you will find that under the Tacoma rates the people of Ohio are overcharged \$69,825,100 a year. Pennsylvania is overcharged \$108,000,000 a year and New Jersey is overcharged \$53,330,000 a year, according to the Tacoma rates.

In other words, the city of Tacoma, with an enormous overhead, \$23,000,000 of investment, a little town of only 110,000 people, is paying more taxes for the amount of power sold than any private power company in America, and sells the power at rates that not only amortize the investment but, if applied in the State of Ohio, would save the people of the State of Ohio \$69,000,000 in 1 year and would save the people of other States in proportion. The T. V. A. pays 5 percent of its gross earnings to the States in which these dams are located in lieu of taxes, and municipal plants invariably give to the city in lieu of taxes more than the taxes would amount to if they were supplied by any private power company in America.

Take my own town, the town of Tupelo. We own our distribution system. We are gradually paying it out. The average taxes for all purposes of all power companies amount to only about 1 mill per kilowatt-hour. Last year we used about 10,000,000 kilowatt-hours and paid in lieu of taxes \$12,000, more than any power company paid in any town of that size in that part of the country. In addition to that, we have raised the domestic consumption from 35 kilowatt-hours per month on an average in 1932 to 215 kilowatt-hours a month during January of this year. We have also in-

creased the average use of electric refrigerators by residential consumers from 19 percent in 1933 to 90 percent in 1938.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. JENKINS of Ohio. How much of a subsidy did the gentleman's town of Tupelo get?

Mr. RANKIN. It does not get a penny.

Mr. JENKINS of Ohio. How much did it get?

Mr. RANKIN. It did not get a dime.

Mr. JENKINS of Ohio. How much did it get from the R. F. C.?

Mr. RANKIN. It did not get a cent for its electric plant. Tupelo did not get a dime for its power system from anybody except from the taxpayers of Tupelo. Further, I shall show that the coal-mining people in the gentleman's district who are paying these enormous charges could be furnished power at T. V. A. rates, generated by the very coal they are digging from the ground. The Tupelo system made a net profit of \$40,000 last year, after paying \$12,000 in lieu of taxes, paying all operating expenses, paying interest on its debts, and the installments due on its sinking funds. Not only that but a few years ago we had a cyclone that destroyed a large portion of our distribution system, and we went out and got the money and built it back ourselves, and it did not cost anybody a dime.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; because I want to refer to the gentleman's State of Wisconsin.

Mr. HAWKS. I would like to know where Tupelo is.

Mr. RANKIN. If the gentleman is that badly behind, his education is very incomplete. [Laughter.]

Mr. HAWKS. But I would like to know where it is. The gentleman has not answered my question.

Mr. RANKIN. Tupelo is my home town in Mississippi, the first one to get T. V. A. power. I thought all the well-informed Members knew that. But I will tell the gentleman where Wisconsin is, it is in the dark. Last year the people of Wisconsin used 2,043,641,000 kilowatt-hours of electricity for which they paid \$51,181,600. Under the T. V. A. rates it would have cost them \$29,246,300, a saving of \$21,935,300. In Tacoma, Wash., under the rate in force in Tacoma, where they paid a higher rate of taxes than the power companies do in Wisconsin, the saving would have been \$25,947,100. I suggest that the gentleman do not ask where Tupelo is, but that he ask where Wisconsin is being driven to by the Power Trust, and ask where it is going to end. How can the people of Wisconsin survive under a burden of \$25,000,000 of overcharges for electricity every year?

Wisconsin adjoins Ontario. In Ontario the electricity that costs the people of Wisconsin \$51,180,600 would have cost \$21,692,200, which shows an overcharge to the overburdened people of Wisconsin of \$27,489,400 a year.

I promised I would refer to the State of Michigan a moment ago. Under their rates in Michigan, which also adjoins Ontario, the overcharges for electricity in the State of Michigan during 1937 were \$51,892,200 according to the Ontario rates, \$39,798,400 according to the T. V. A. rates, and \$47,566,200 according to the Tacoma rates.

This morning we had men from Massachusetts and Connecticut before the Rivers and Harbors Committee. Some of them seemed to be surprised to learn of the overcharges the people in those States are compelled to pay for electric lights and power. According to the T. V. A. rates, the people in Connecticut are overcharged \$18,616,700 a year. According to the Tacoma rates, they are overcharged \$22,500,500. According to the Ontario rates, \$23,463,500.

The people of Massachusetts last year, according to the T. V. A. rates, were overcharged \$44,537,200, and according to the Tacoma rates, where, as I have said, they bear all the burdens and pay all the taxes that any power company pays, the savings in Massachusetts alone would have been \$49,439,900. Under the Ontario rates, the savings would have been \$53,133,500.

But, Mr. Speaker, there is one group of electric consumers that I do not wish to overlook, and that is the commercial consumers, the merchants, the hotel, restaurant, and filling-station operators, and all others who pay commercial rates for electric lights and power.

I am inserting a table showing the number of commercial consumers in each State, the amount of electricity used, and

the overcharges according to the T. V. A. rates, the Tacoma rates, and the Ontario rates.

I wish every merchant, every hotel operator, and every other commercial consumer of electric energy throughout America could read this table and see what an enormous burden of overcharges they have to bear.

The table referred to follows:

TABLE 2.—Commercial electric sales, 1937

State	Estimated sales data for 1937			Estimated revenues and consumer overcharges according to rates in effect in—					
	Number of customers	Total kilowatt-hours	Total revenues	Tennessee Valley Authority		Tacoma, Wash.		Province of Ontario, Canada	
				Revenues	Overcharges	Revenues	Overcharges	Revenues	Overcharges
Alabama	39,711	204,750,000	\$5,589,400	\$3,253,000	\$2,336,400	\$3,387,200	\$2,202,200	\$2,649,400	\$2,940,000
Arizona	12,333	83,285,000	2,689,100	1,107,900	1,581,200	1,153,600	1,535,500	903,500	1,785,600
Arkansas	27,333	110,699,000	3,641,700	1,664,300	1,977,400	1,737,100	1,904,600	1,358,400	2,283,300
California	307,737	1,615,574,000	38,930,700	26,628,600	12,302,100	26,589,700	12,341,000	21,684,400	17,246,300
Colorado	29,397	103,566,000	4,351,200	1,910,200	2,447,000	1,992,900	2,358,300	1,557,700	2,793,500
Connecticut	54,882	228,035,000	9,623,000	4,465,100	5,157,900	4,657,500	4,965,500	3,637,500	5,985,500
Delaware	8,685	41,271,000	1,180,100	630,200	549,900	656,100	524,000	513,300	666,800
District of Columbia	20,737	171,172,000	4,503,700	3,729,100	774,600	3,886,700	617,000	3,040,000	1,463,700
Florida	47,761	188,322,000	8,344,200	2,903,800	5,440,400	3,020,600	5,323,600	2,361,400	5,982,800
Georgia	52,804	315,979,000	8,995,200	4,822,000	4,174,200	5,019,900	3,978,300	3,922,300	5,073,900
Idaho	14,177	63,102,000	1,842,700	925,000	917,700	965,600	877,100	753,700	1,089,000
Illinois	252,088	1,815,538,000	42,249,400	23,279,400	18,970,000	24,251,200	17,998,200	18,970,000	23,279,400
Indiana	101,595	519,963,000	13,378,800	7,906,900	5,471,900	8,241,300	5,137,500	6,448,600	6,930,200
Iowa	71,675	191,946,000	8,163,800	4,490,100	3,673,700	4,636,000	3,477,800	3,657,400	4,506,400
Kansas	58,637	391,871,000	9,168,300	4,978,400	4,189,900	5,189,300	3,979,000	4,052,400	5,115,900
Kentucky	44,122	401,731,000	7,459,100	4,430,700	3,828,400	4,617,200	2,841,900	3,610,200	3,848,900
Louisiana	39,423	163,842,000	5,824,200	2,585,900	3,238,300	2,690,800	3,133,400	2,102,500	3,721,700
Maine	30,475	378,804,000	5,141,000	2,431,700	2,709,300	2,534,500	2,606,500	1,979,300	3,161,700
Maryland	54,263	276,524,000	8,023,900	5,143,300	2,880,600	5,360,000	2,663,900	4,188,500	3,835,400
Massachusetts	169,021	818,062,000	25,943,900	10,948,300	14,995,600	11,389,200	14,554,700	8,898,800	17,045,100
Michigan	160,744	1,001,435,000	27,522,000	16,403,100	11,118,900	17,118,700	10,403,300	13,375,700	14,146,300
Minnesota	93,195	331,029,000	11,299,700	5,661,200	5,638,500	5,887,100	5,412,600	4,610,300	6,689,400
Mississippi	24,373	74,070,000	2,803,600	1,289,700	1,513,900	1,342,900	1,460,700	1,051,400	1,752,200
Missouri	113,704	639,585,000	19,866,000	10,509,100	9,356,900	10,946,200	8,919,800	8,562,200	11,303,800
Montana	17,216	68,431,000	2,083,100	985,300	1,097,800	1,027,000	1,056,100	802,000	1,281,100
Nebraska	40,970	348,245,000	8,933,200	5,538,600	3,394,600	5,770,800	3,162,400	4,511,300	4,421,900
Nevada	4,553	36,520,000	955,100	423,100	532,000	441,300	513,800	344,800	610,300
New Hampshire	16,258	57,033,000	2,087,300	784,800	1,302,500	818,200	1,269,100	638,700	1,448,600
New Jersey	194,475	749,312,000	34,282,100	14,055,700	20,226,400	14,672,700	19,609,400	11,450,200	22,831,900
New Mexico	9,137	36,356,000	1,458,900	569,000	889,900	592,300	866,600	462,500	996,400
New York	584,230	3,320,179,000	110,834,900	53,200,800	57,634,100	55,528,300	55,306,600	43,336,400	67,498,500
North Carolina	47,207	212,620,000	6,139,700	3,505,800	2,633,900	3,653,100	2,486,600	2,855,000	3,284,700
North Dakota	19,175	38,350,000	2,836,400	1,364,500	1,471,900	1,421,000	1,415,400	1,111,900	1,724,500
Ohio	225,995	1,320,489,000	34,998,200	23,623,900	11,374,300	24,603,700	10,394,500	19,249,000	15,749,200
Oklahoma	51,363	140,176,000	5,887,000	2,914,100	2,972,900	3,037,700	2,849,300	2,372,500	3,514,500
Oregon	38,583	234,778,000	5,821,200	3,911,800	1,909,400	4,030,700	1,740,500	3,190,000	2,631,200
Pennsylvania	300,449	1,103,549,000	41,335,800	21,990,600	19,345,200	22,941,400	18,394,400	17,898,400	23,437,400
Rhode Island	23,510	81,224,000	3,440,000	1,351,900	2,088,100	1,410,400	2,029,600	1,100,800	2,339,200
South Carolina	26,413	104,648,000	3,205,600	1,731,000	1,474,600	1,801,500	1,404,100	1,410,500	1,795,100
South Dakota	17,498	68,531,000	2,275,000	1,075,200	1,202,800	1,120,800	1,157,200	874,800	1,403,200
Tennessee	47,212	230,772,000	7,231,100	3,832,500	3,398,600	3,991,600	3,239,500	3,123,800	4,107,300
Texas	140,413	806,954,000	21,766,200	11,079,000	10,687,200	11,536,100	10,230,100	9,011,200	12,755,000
Utah	12,681	78,571,000	2,647,500	1,299,900	1,347,600	1,352,900	1,294,600	1,059,000	1,588,500
Vermont	12,497	32,667,000	1,439,300	614,600	824,700	640,500	798,300	500,900	838,400
Virginia	48,460	227,907,000	7,032,300	3,762,300	3,270,000	3,924,000	3,08,300	3,066,100	3,966,200
Washington	59,134	515,767,000	9,520,600	6,864,400	2,656,200	7,064,300	2,456,300	5,521,900	3,968,700
West Virginia	34,311	132,612,000	5,179,600	3,154,400	2,025,200	3,289,000	1,890,600	2,569,100	2,610,500
Wisconsin	99,558	351,838,000	12,193,900	6,718,800	5,475,100	6,999,300	5,194,600	5,475,100	6,718,800
Wyoming	6,364	20,358,000	900,000	335,700	564,300	350,100	549,900	273,600	626,400
Total	3,906,584	20,428,042,000	611,022,700	326,784,700	284,238,000	339,390,000	271,632,700	266,098,400	344,924,300

If their rates were reduced to the proper levels, these commercial consumers would not only save the enormous amount indicated but they would increase the consumption of electricity, as well as the use of those appliances necessary for the successful operation of their establishments. Now, let us see what happens to the industrial consumers. There

were 1,559,888 industrial consumers of electricity in this country during 1937. I am inserting a table showing the number of them in each State, the amount of electricity they consumed, together with the overcharges, according to the T. V. A. rates, the Tacoma rates, and the Ontario rates.

The table referred to follows:

TABLE 3.—Industrial electric sales data, 1937

State	Estimated sales data for 1937			Estimated revenues and consumer overcharges according to rates in effect in—					
	Number of customers	Total kilowatt-hours	Total revenues	Tennessee Valley Authority		Tacoma, Wash.		Province of Ontario, Canada	
				Revenues	Overcharges	Revenues	Overcharges	Revenues	Overcharges
Alabama	22,399	1,217,149,000	\$12,381,200	\$8,357,300	\$4,023,900	\$5,621,100	\$6,760,100	\$7,366,800	\$5,014,400
Arizona	7,654	372,612,000	3,544,500	1,687,200	1,857,300	1,134,200	2,410,300	1,488,700	2,055,800
Arkansas	11,444	263,517,000	5,727,700	3,322,100	2,405,600	2,233,800	3,493,900	2,926,900	2,800,800
California	148,402	5,240,833,000	69,317,000	65,019,300	4,297,700	43,739,000	25,578,000	57,325,200	11,991,800
Colorado	18,326	352,566,000	7,227,700	4,669,100	2,558,600	3,136,800	4,090,900	4,119,800	3,107,900
Connecticut	28,702	905,199,000	14,828,100	9,104,500	5,723,600	5,679,200	9,148,900	7,443,700	7,384,400
Delaware	3,321	126,656,000	1,795,700	1,138,500	657,200	854,800	940,900	1,003,800	791,900
District of Columbia	809	341,430,000	4,239,600	2,925,300	1,314,300	1,941,700	2,297,900	2,543,800	1,695,800
Florida	11,360	306,786,000	8,934,600	4,628,100	4,306,500	3,109,200	5,825,400	4,083,100	4,851,500
Georgia	18,027	993,764,000	14,953,500	10,063,700	4,889,800	6,773,900	8,179,600	8,882,400	6,071,100
Idaho	20,613	370,182,000	4,697,500	3,194,300	1,503,200	2,146,800	2,550,700	2,813,800	1,883,700



TABLE 3.—Industrial electric sales data, 1937—Continued

State	Estimated sales data for 1937			Estimated revenues and consumer overcharges according to rates in effect in—					
	Number of customers	Total kilowatt-hours	Total revenues	Tennessee Valley Authority		Tacoma, Wash.		Province of Ontario, Canada	
				Revenues	Overcharges	Revenues	Overcharges	Revenues	Overcharges
Illinois.....	68,064	4,229,447,000	\$68,976,300	\$37,178,200	\$31,798,100	\$24,969,400	\$44,006,900	\$32,763,700	\$36,212,600
Indiana.....	64,013	1,670,747,000	21,277,000	13,808,800	7,468,200	9,270,800	12,000,200	12,170,400	9,106,600
Iowa.....	43,298	1,715,559,000	14,075,500	8,797,200	5,278,300	5,911,700	8,163,800	7,755,600	6,319,900
Kansas.....	22,994	381,881,000	7,272,700	4,698,200	2,574,500	3,163,600	4,109,100	4,145,400	3,127,300
Kentucky.....	20,799	408,599,000	8,659,400	5,498,700	3,160,700	3,697,600	4,961,800	4,849,300	3,810,100
Louisiana.....	11,573	622,924,000	9,539,600	5,132,300	3,407,300	3,453,300	6,086,300	4,521,300	5,017,800
Maine.....	21,867	199,805,000	4,462,400	3,132,600	1,329,800	2,106,300	2,356,100	2,762,200	1,700,200
Maryland.....	18,120	1,114,327,000	15,250,500	9,043,500	6,207,000	6,085,000	9,165,500	7,976,900	7,274,500
Massachusetts.....	39,699	1,496,431,000	28,069,400	15,550,400	12,519,000	10,441,800	17,627,600	13,697,900	14,371,500
Michigan.....	88,647	2,984,748,000	42,713,600	24,859,300	17,854,300	16,701,000	26,012,600	21,912,100	20,891,500
Minnesota.....	21,519	720,399,000	14,583,000	7,291,500	7,291,500	4,899,900	9,683,100	6,431,100	8,151,900
Mississippi.....	9,724	247,090,000	4,953,400	2,744,200	2,209,200	1,847,600	3,105,800	2,422,200	2,531,200
Missouri.....	31,014	1,275,915,000	20,580,500	13,274,400	7,306,100	8,911,400	11,669,100	11,689,700	8,890,800
Montana.....	5,324	1,206,228,000	8,923,900	7,281,900	1,642,000	4,890,300	4,033,600	6,416,300	2,507,600
Nebraska.....	15,549	91,751,000	4,130,500	2,792,200	1,338,800	1,875,200	2,255,300	2,461,800	1,698,700
Nevada.....	1,480	59,965,000	1,098,900	731,900	367,000	492,300	606,600	645,100	453,800
New Hampshire.....	14,330	183,663,000	3,442,400	2,095,400	1,346,000	1,407,900	2,034,500	1,848,600	1,593,800
New Jersey.....	24,664	1,680,755,000	24,263,500	13,247,900	11,015,600	8,904,700	15,358,800	11,670,700	12,592,800
New Mexico.....	2,817	34,159,000	997,000	525,400	471,600	352,900	644,100	463,600	533,400
New York.....	136,410	8,117,614,000	80,417,900	42,621,500	37,796,400	28,628,800	51,789,100	37,555,200	42,862,700
North Carolina.....	27,107	1,561,911,000	22,145,100	16,276,600	5,868,500	10,939,700	11,205,400	14,350,000	7,795,100
North Dakota.....	4,194	37,340,000	1,122,100	589,100	533,000	396,100	726,000	519,500	602,600
Ohio.....	109,992	4,484,190,000	75,590,300	49,058,100	28,532,200	32,957,400	42,632,900	43,237,700	32,352,600
Oklahoma.....	25,417	692,712,000	10,996,600	6,521,000	4,475,600	4,387,600	6,609,000	5,751,200	5,245,400
Oregon.....	33,065	569,500,000	7,938,000	6,279,000	1,659,000	4,223,000	3,715,000	5,540,700	2,397,300
Pennsylvania.....	114,253	7,540,450,000	99,294,600	61,165,500	38,129,100	41,108,000	58,186,600	53,917,000	45,377,600
Rhode Island.....	7,187	378,485,000	7,050,000	4,519,100	2,530,900	3,038,600	4,011,400	3,983,300	3,066,700
South Carolina.....	11,200	814,680,000	11,335,900	7,606,400	3,729,500	5,112,500	6,223,400	6,699,500	4,636,400
South Dakota.....	3,887	42,052,000	1,644,500	894,600	749,900	601,900	1,042,600	798,400	846,100
Tennessee.....	27,831	918,988,000	12,404,400	7,554,300	4,850,100	5,085,800	7,318,600	6,661,200	5,743,200
Texas.....	47,963	1,567,645,000	24,657,100	14,695,600	9,961,500	9,862,800	14,794,300	12,945,000	11,712,100
Utah.....	21,660	622,168,000	7,264,400	4,736,400	2,528,000	3,181,800	4,082,600	4,169,800	3,094,600
Vermont.....	10,534	131,722,000	2,714,100	1,853,700	860,400	1,245,800	1,468,300	1,633,900	1,080,200
Virginia.....	27,103	736,141,000	11,241,300	7,441,700	3,799,600	5,002,400	6,238,900	6,564,900	4,676,400
Washington.....	50,191	1,433,319,000	12,328,700	9,110,900	3,217,800	6,127,400	6,201,300	8,038,300	4,290,400
West Virginia.....	12,593	1,377,975,000	16,272,200	10,804,700	5,467,500	7,257,400	9,014,800	9,519,200	6,753,000
Wisconsin.....	70,137	1,248,637,000	21,751,100	12,702,600	9,048,500	8,548,200	13,202,900	11,201,800	10,549,300
Wyoming.....	3,112	52,217,000	1,296,200	654,600	641,600	439,400	856,800	576,800	719,400
Total.....	1,559,888	62,142,833,000	878,381,100	556,879,800	321,501,300	373,903,800	504,477,300	490,264,900	388,116,200

No wonder Canada has an advantage over us from an industrial standpoint. You will note that the industrial consumers in this country pay on an average of twice the rate their competitors have to pay in Ontario.

Did the gentleman from Kentucky arise to ask me a question?

Mr. MAY. Since the gentleman has called on me, I would like to ask him a question.

Mr. RANKIN. I did not call on him, but I shall be glad to answer.

Mr. MAY. I would like to ask the gentleman to explain to the House, if he will, the reason why he did not tell them when he was discussing the Ontario rates in connection with the Minnesota rates and the rates in other States of this country, that Ontario has built up at a loss over the last 10 years \$300,000,000, or \$30,000,000 a year, that has been subsidized by the Government, and that is why they have such cheap rates up there.

Mr. RANKIN. Do you want to know why I did not tell the House that?

Mr. MAY. Yes.

Mr. RANKIN. Because it is not true; that is why.

Mr. MAY. I knew the gentleman would say that.

Mr. RANKIN. Ontario is paying its way. Now, since the gentleman has gone that far, let us look at Kentucky.

Mr. MAY. All right, but before you get to Kentucky—

Mr. RANKIN. I do not yield further. Kentucky used 978,131,000 kilowatt-hours in 1937, and the overcharges according to the T. V. A. rates, were \$9,208,600. According to the Tacoma rates, the overcharges in Kentucky were \$10,882,300. According to the Ontario rates, they were \$13,659,000. Those were the overcharges the people of Kentucky had to pay in 1 year.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I am sorry, but my time is limited.

Mr. MAY. Well, the gentleman ought to yield for just an explanation.

Mr. RANKIN. These are conservative figures.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. PACE. Will the gentleman give us the figures for the State of Georgia?

Mr. RANKIN. Yes; I shall be glad to. During the year 1937—

Mr. MAY. Will the gentleman let me explain to him why we have these rates in Kentucky and how we meet them?

Mr. RANKIN. No; I already know.

Mr. MAY. We can just have one horse race in Kentucky and get enough money off of Mississippians to pay that excess bill. [Laughter.]

Mr. RANKIN. The gentleman is likely to take a hay ride next year, but it will not be off Mississippi. [Laughter and applause.]

Now, Mr. Speaker, the State of Georgia used 1,550,000,000 kilowatt-hours last year, for which they paid \$32,315,300. According to the T. V. A. rates, that was an overcharge of \$12,084,000. According to the Tacoma rates, it was an overcharge of \$15,251,200. According to the Ontario rates, it was an overcharge of \$15,659,900.

Mr. MAY. Will the gentleman yield?

Mr. RANKIN. I will yield for a question.

Mr. MAY. I just wanted to advise the gentleman that if he will examine the hearings before the House Military Affairs Committee held when the T. V. A. was under consideration in 1935 he will find that the chief engineer for the city of Tacoma testified that the tax rate there was 7 mills per dollar, or \$7 per hundred, and that the increase in the tax rate was added to pay the costs of the municipally operated system.

Mr. RANKIN. The gentleman evidently misunderstood him. I said that Tacoma pays several hundred thousands of dollars in taxes. If the people of Kentucky had got the Tacoma rates last year, even after paying those taxes, if the people of Kentucky had got the Tacoma rate, they would have saved last year \$10,882,300.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; I yield to the gentleman from Washington.

Mr. LEAVY. I do not feel that the gentleman from Washington can allow that statement to go unchallenged, that the tax rate is 70 mills in Tacoma.

Mr. MAY. I did not say 70.

Mr. RANKIN. The gentleman did not say 70, he said 7.

Mr. LEAVY. Seven mills per dollar or 70 mills on \$10. Our assessment basis, however, is not a full-value-assessment basis; it is from 40 to 50 percent of the value instead of full value.

Mr. MAY. That makes it that much worse.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. MARCANTONIO. Will the gentleman explain how much we are being soaked in New York City by the power gang?

Mr. RANKIN. I cannot give the figures for New York City just at this moment, but I will give them for New York State, if the gentleman will allow me to take Pennsylvania first.

In Pennsylvania they use 10,700,000,000 kilowatt-hours, and are overcharged, according to the T. V. A. rates, \$88,425,200. According to the Tacoma rates, where they pay these taxes the gentleman from Kentucky talks about, they were overcharged \$108,001,000. According to the Ontario rates the people of Pennsylvania were overcharged \$110,083,000 in that 1 year.

I submit that, instead of attacking this yardstick which we are using to try to bring justice to the power consumers of America, it behooves every man to study this question and get behind this great movement. Now, you cannot hurt the T. V. A. One of those old farmers down there, when he heard that you gentlemen were attacking the T. V. A., you who are on the minority side, said: "Well, thank God, they can't repeal a dam." [Laughter.]

Those dams will be there when you are dead and gone, and we are going to see to it that you do not take away from the American people the benefits of their operation.

The gentleman from New York [Mr. MARCANTONIO] asked about the overcharges in the State of New York. In 1937 the people in the State of New York used 13,511,000,000 kilowatt-hours of electricity, for which they paid \$292,669,000, or \$142,284,900 more than it would have cost them under the T. V. A. rates, and \$154,761,400 more than it would have cost them under the Tacoma rates, and \$172,833,700 under the Ontario rates.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Now, what county is that I am hearing from?

Mr. SHORT. Missouri. Will the gentleman yield?

Mr. RANKIN. In just a minute, when I have finished with New York. According to the Ontario rates—and let me remind you that New York is right across the river from Ontario—only the thread of the Niagara River between them. If the people of New York had paid the same rates that are paid on the other side of the river for the same power, if you please, generated in the Niagara River by Niagara water, if they had paid those same rates the people of New York would have saved \$172,833,700 in one year.

Mr. Speaker, I now yield to the gentleman from Missouri for a question.

Mr. SHORT. I merely wanted to say that it seemed to me that the long list of comparative rates the gentleman is quoting means very little.

Mr. RANKIN. It does to the gentleman from Missouri.

Mr. SHORT. No; because even the gentleman from Mississippi should know that in a country as vast and diversified as the United States the same uniformity of price is not paid for beans, gasoline, automobiles, potatoes, or even kilowatt-hours.

Mr. RANKIN. I know that those potato growers in the district represented by the gentleman from Missouri [Mr. SHORT] are rich. I know that those sheep growers in his

district are rich, I know that those corn farmers are rich, I know that those who milk dairy cows are rich. They can afford to pay these enormous rates, but let me show you what these overcharges in Missouri amount to: The overcharge for electric lights and power in Missouri according to the T. V. A. rates amounted to \$24,649,400 in 1937. According to the Tacoma rate the people of Missouri in 1937 were overcharged \$28,737,100; and according to the Ontario rates they were overcharged \$31,533,200. It would take practically the entire wheat crop of Missouri to pay those overcharges.

Mr. SHORT. Will the gentleman yield?

Mr. RANKIN. We are trying to save them from the gentleman from Missouri. Instead of supporting us, he is constantly resisting this onward approach of modern progress. [Applause.]

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. I disagree with the gentleman's position in favor of Government operation of the electric business. I want to ask the gentleman what the solution is. I have recently received hundreds of letters from Mississippi and from Tennessee indicating that by reason of the T. V. A. operations so much taxable property has been taken off the tax rolls that the treasuries of the local communities are about bankrupt.

Mr. RANKIN. If they do not get any more help from the gentleman from Wisconsin than do the power consumers of his own State they might as well save their stamps.

Mr. SCHAFER of Wisconsin. I am serious about this.

Mr. RANKIN. I sympathize with the gentleman. There have been a great many such letters from Tennessee and Mississippi written in New York and mailed out to certain people. The answer is, there is not a word of truth in them. The people down there are enjoying the great blessing of cheap electricity, and besides, the gentleman from Wisconsin is about the last man on earth they would call on for help.

Mr. SCHAFER of Wisconsin. To clear up this question, may I say that it might be all right now while Mississippi and Tennessee knocks at the door and get hand-outs from the Federal Treasury, but what are you going to do after the New Deal has departed from Washington in 1940?

Mr. RANKIN. In 1940 we are going to take the light to Wisconsin and to Ohio. [Laughter.]

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I do not think the gentleman wants to answer that profound question in the way he has.

Mr. RANKIN. Does the gentleman call that question a profound question?

Mr. JENKINS of Ohio. Yes.

Mr. RANKIN. Then I should decline to yield further.

Mr. JENKINS of Ohio. The people in Tennessee are very serious people, and the officials are about to pass legislation on the very subject that the gentleman from Wisconsin referred to.

Mr. RANKIN. I will answer that.

Mr. JENKINS of Ohio. The gentleman cannot dismiss that with a wave of the hand.

Mr. RANKIN. That propaganda has gone all over the country.

Mr. JENKINS of Ohio. It is true just the same.

Mr. RANKIN. Why, the Power Trust has even gone to the State of Washington and tried to get them to put a heavy tax on municipal plants and on cooperative associations so that they could be destroyed. That is what they want to do. It is not the people of Mississippi, and it is not the people of Tennessee or Washington who are asking for this. All they are asking for is that you let them alone and permit this law to be carried out.

Mr. ELSTON. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio.

Mr. ELSTON. The gentleman has stated that Ohio would be benefited if it had the T. V. A. rates. Can the gentleman tell us what the T. V. A. has cost the taxpayers of Ohio to date?



Mr. RANKIN. Yes. It has not cost them anything, and will not cost them anything as far as power is concerned.

Mr. ELSTON. Where did the money come from?

Mr. RANKIN. The amount allocated to power will be paid for out of the sale of electricity.

Mr. ELSTON. Do not the taxpayers have to pay the bill?

Mr. RANKIN. As I stated, the amount charged to power will be amortized by the sale of electricity. As I have just explained to the House, the T. V. A. has more than paid for itself in the reduction of light and power rates to the people in every State in the Union. This reduction in 1937 amounted to \$625,000,000, of which amount the people of Ohio saved \$59,700,000. The people of that State are still overcharged \$53,839,300 a year according to the T. V. A. rates, and \$72,866,000 according to the Ontario rates.

If the gentleman from Ohio [Mr. Elston] and his colleague [Mr. Jenkins] and all other Members of the Ohio delegation, as well as Members from other States, would join in this movement, instead of criticizing and trying to destroy the T. V. A. yardstick, we could spread these rates throughout the entire State of Ohio, and bring to the people of that proud Commonwealth, as well as to the people of the rest of the country, relief from the overcharges they now have to pay.

Let me repeat, the majority report of the Joint Investigating Committee, headed by the distinguished Senator from Ohio [Mr. Donahey], is a complete vindication of the T. V. A.

I repeat again, that the T. V. A. is the greatest development of all times. It marks the beginning of a new day for the masses of the American people who have heretofore been denied the liberal use of electricity, the greatest natural resource on earth outside of the soil on which we live, and one of the greatest gifts of God to man.

As the old farmer said, "You cannot repeal the dam." The T. V. A. will be there long after these carping critics have passed away and long after the dreams of its founders have been realized in the consummation of a Nation-wide program under which our people will enjoy the glorious blessings of an electrified America. [Applause.]

The SPEAKER pro tempore. Under a previous order heretofore entered, the gentleman from Ohio [Mr. BENDER] is recognized for 5 minutes.

Mr. BENDER. Mr. Speaker, those of us who think in terms of realism must be deeply concerned at the results of the recent Gallup headline poll. When 52 percent of the people of the Nation are either on relief or feel themselves so insecure that they could hold out less than 6 months on their present savings before seeking relief, we have reached a dark era in the Nation's history. For no matter how zealously we may preach the doctrines of true democracy and personal liberty, we know full well that dictatorship and tyranny are bred from the ranks of human insecurity. Where men and women cannot obtain food, clothing, and shelter in sufficient quantities to care for themselves; where they find it impossible to accumulate sufficiently large reserves to provide a safe margin of living for some considerable time in the future, economic security becomes a hollow jest, and continuity of democracy is in danger.

But there is more in the fruits of the Gallup poll than this abstract philosophy. For 6 years our Government has been in the hands of a group of men whose constant proclamation has been their concern for the needy. They have preached early and late their love for the underprivileged, their deeply sentimental attachment for the lowest third. Yet at the end of the better part of a decade of almost incessant social experimentation in the name of human betterment the Nation finds itself no better off than it was at the outset. If anything, the figures indicate that the 6 long years have resulted in the deepening and aggravation of the depression. In spite of N. R. A., A. A. A., S. E. C., T. V. A., C. W. A., P. W. A., and W. P. A., the lot of the average American citizen and his family must be described as desperate. No milder term will do.

Seventeen percent of the people interviewed by the investigators of the American Institute of Public Opinion declared that they were already receiving assistance, either from

W. P. A. or direct relief sources. Another 19 percent of those questioned declared themselves just 1 month away from the relief office. Sixteen percent more of those seen informed the investigators that they could maintain themselves for a period not exceeding 6 months if they were suddenly thrown out of work.

To these people the only salvation between disaster and security is their present job. Most of them are convinced that if they were to lose their jobs today finding another to take its place would be a difficult, not to say impossible, achievement. Those over 45 know that the argument of advanced age is all too frequently raised to bar them from all employment. The young men and women under 25 know equally well that their youthful inexperience is no less frequently urged as a reason for barring them. All of us recognize that a job has suddenly become the most prized possession of millions of Americans.

This amazing and staggering insecurity of the people of our Nation cannot be lightly ignored. It presents the most damning indictment conceivable against the workings of the present national administration. It is absurd to speak of the end of the depression when over 20,000,000 people depend upon some form of public assistance to keep body and soul together.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. The gentleman, of course, has heard the cryptic statement, "We planned it that way"?

Mr. BENDER. Yes; I heard about that.

[Here the gavel fell.]

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. BENDER. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman is pointing out that there has been an increase in unemployment. There are 10,000,000 people unemployed?

Mr. BENDER. I did not state the number. Nobody knows the number. Some say it is 10,000,000, others say it is 12,000,000, while still others say 13,000,000. I do not know. The present administration refuses to have a survey of unemployment made. They are afraid to tell us how many people are out of work.

Mr. MARCANTONIO. At any rate, the gentleman contends the number of unemployed is increasing?

Mr. BENDER. The number of unemployed is either increasing or remaining the same.

Mr. MARCANTONIO. Will the gentleman explain, then, why he opposed adequate appropriations for the unemployed?

Mr. BENDER. We did not oppose adequate appropriations for the unemployed. We were in favor of adequate appropriations. We were against the wastefulness, the chicanery, the duplicity, and the excessive spending on the part of these agencies for things that were not essential.

Mr. MARCANTONIO. Even if that be true, you took it out on the unemployed.

Mr. BENDER. We did not take it out on the unemployed.

Mr. MARCANTONIO. They are getting nothing.

Mr. BENDER. No one is taking it out on the unemployed. There is \$47,000,000 that Colonel Harrington said he had as a cushion in reserve. Now, as I understand, the administration has given in and is agreeing to the \$100,000,000 appropriation over on the other side of the Capitol today.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. In order to keep the record straight and expose the insincerity of our colleague, the gentleman from New York, let me say that the administration admits that at the peak only 3,000,000 people were employed on W. P. A.

Mr. BENDER. The gentleman is correct.

Mr. SCHAFER of Wisconsin. They also admit, and the American Federation of Labor admits, there are more than 12,000,000 unemployed, so these sob sisters who are continually complaining about taking it out on the unemployed have at no time asked for adequate appropriations to take care of the 9,000,000 who are out of work and who have not been able to contact the W. P. A. pay roll.

Mr. BENDER. The gentleman is absolutely right. In America you cannot possibly live like a decent American citizen on \$10 or \$15 a week. All this administration has to offer a fellow who is out of a job is a measly \$10 or \$15 a week on W. P. A., and that is not the kind of thing this country was founded for.

Mr. SCHAFER of Wisconsin. But they offer that to only 3,000,000 of the 12,000,000 unemployed, and the sob sisters who are always speaking in the Well of the House in favor of the unemployed have never asked appropriations to take care of the 9,000,000 of the 12,000,000 unemployed who have been unable to get on the W. P. A. pay roll.

Mr. BENDER. The gentleman is right.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield, inasmuch as that remark was directed at me?

Mr. BENDER. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman from Wisconsin, however, who was complaining that the United States employs only 3,000,000 persons on W. P. A., was opposed even to continuing the employment of those 3,000,000, because he voted against the appropriation to continue their employment. The gentleman wants fewer people on W. P. A.

Mr. SCHAFER of Wisconsin. I voted for W. P. A. appropriations. I want fewer politicians on the pay roll. I want to take the politicians off the W. P. A. pay roll who are not entitled to be on it.

Mr. BENDER. Frankly, the sooner you take a lot of these pap suckers off the pay roll down here in Washington and elsewhere the sooner you are going to have relief from this sort of thing and the sooner you will have regular jobs at regular pay. [Applause.] You cannot have business functioning in this country until you take government out of business. Thomas Jefferson, a man whom both the Republicans and Democrats honor, said that the less government you have the better government you have, or words to that effect; that that government governs best which governs least. I agree with this philosophy. If our Government would take itself out of business and take itself out of everything except those enterprises in which it ought to engage, we would get along a lot better than we are now. We have tried this course of conduct for years. Some of the Republicans tried it before the Democrats tried it. After these many years it has proven a failure, so why not forget it?

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Tennessee.

Mr. GORE. Going back to the gentleman's statement that a man cannot live on \$10 or \$15 a week, I wish to point out that the highest wage a W. P. A. worker would draw in my district is \$6.50 a week, which is one-tenth of the amount the men draw who are working on the airport in the city of the gentleman from New York [Mr. MARCANTONIO].

Mr. BENDER. The people of Tennessee should not tolerate that condition.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. MARCANTONIO. With regard to the money paid to the workers at the airport, let me say that every penny over and above security wages is paid out of the treasury of the city of New York itself. This was explained on the floor of the House during the debate, and the gentleman from Tennessee should now be fully informed on the matter.

Mr. BENDER. What difference does it make if the money comes out of Peter's pocket or Paul's pocket?

[Here the gavel fell.]

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes. These gentlemen have taken a great deal of my time and I want to finish my statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Let me give you this illustration: I recall that a taxi driver once called at the home of a relative. This relative called the Yellow Cab Co. but a green cab drove up in front of the house. The person who called the yellow cab kept looking out of the window and saw the green cab drive up. Finally he stepped out and said to the driver of the green cab, "I did not call you, I called a yellow cab." The driver of the green cab said, "It does not make any difference, Ginsberg owns them both." [Laughter.] And so it is. Irrespective of whether the city of New York, the State of New York, or the Federal Government pays the money, it comes out of the pocket of the taxpayer and the individual is soaked irrespective of where the money comes from.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Tennessee.

Mr. GORE. The gentleman said, "The people of Tennessee should not submit to it." They do not condone it, they fight against it. [Applause.]

Mr. BENDER. I congratulate the gentleman.

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I want to finish this statement, but I yield.

Mr. ELSTON. I would like to ask the gentleman from Tennessee [Mr. GORE] if he had any \$500,000 buildings presented to his State by W. P. A.

Mr. GORE. I will answer the gentleman in the negative.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield for a moment?

Mr. BENDER. Yes.

Mr. MARCANTONIO. May I say that in Tennessee, and in other States, W. P. A. has left roads, buildings, and other improvements behind them.

Mr. BENDER. It is folly to talk of improving business conditions or of the possibility of raising our national income to \$80,000,000,000 annually by methods which have produced nothing but terrible uncertainty in 6 years of trial.

To thinking Americans the loyal support which has been given to the New Deal by the most insecure people in our Nation seems a grim irony. The men and women who are on relief, or whose lives are overshadowed by the harrowing fear of being forced upon relief at any moment, have lined up enthusiastically behind President Roosevelt. To them he sounded the challenging trumpet of the reformer who was going to provide them with all they needed. Let us give the President his due. He moved energetically. He preached eloquent sermons on the more abundant life. But he has failed in his primary objective. Those of our people who live in insecurity but who continue to follow him blindly wherever he leads have been hypnotized by his oratory. They have been bewitched by his promises. But they are not looking at the facts realistically.

Roosevelt has failed them. Every American who loves his fellow men must recognize this failure. He must realize that the major task before our Government today is not political. It is economic. The responsibility which any government assuming public office in our Nation today must accept is the stimulation of industrial recovery. People must be given the assurance that there is work waiting for them; not unreliable, unsteady, temporary work, but regular employment at good wages. To meet this basic requirement of government today, the Roosevelt administration has marshaled theorists, statisticians, doctrinaires. They have worked out no formula for prosperity. Their most charitable critics can claim no more for them than the ability to meet constantly recurring crises with frantic desperation.

The 52 percent of our people who are 6 months away from the bread line or who have already joined its growing ranks have demonstrated long suffering and patience. There are unmistakable signs that they are at long last awakening from their slumber. Today they are beginning to recognize that their futures are tied up inseparably with the future of American business, American commerce, American agriculture. When business declines, insecurity spreads throughout



the land. When business prospers, men and women work, save, and turn their faces toward the future with courage.

The Gallup poll has given us cause for reflection. Roosevelt has brought the Nation to the brink of universal insecurity. The Republican Party must be given the opportunity to restore it to the prosperity it deserves. [Applause.]

The SPEAKER pro tempore (Mr. SPARKMAN). Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and to insert therein the table prepared by Dr. Goldenweiser and which is referred to in my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOW SURPLUS GOLD AND SURPLUS COTTON CAN BE USED TO PROMOTE THE GENERAL WELFARE BY PROVIDING PARITY PAYMENTS TO FARMERS, HELPING TENANTS BECOME HOME OWNERS, PROVIDING ADEQUATE NATIONAL DEFENSE, AND BY ACQUIRING FROM FOREIGN COUNTRIES NEEDED RAW MATERIALS WHICH WE DO NOT HAVE

Mr. PATMAN. Mr. Speaker, a few days ago I asked E. A. Goldenweiser, Director of Research and Statistics of the Board of Governors of the Federal Reserve System, to furnish me certain information regarding the total amount of business transactions for the years from 1919 to 1938, inclusive; also the same information relative to demand deposits in banks, the turn-over of these deposits, annual farm income, factory pay roll, and other information.

#### VELOCITY OF MONEY

It will be noticed in this information, which is inserted herewith, that in 1929, when the amount of bank deposits was smaller than it is now and when the amount of currency outside of banks was \$2,000,000,000 less than it is now, that there was twice as much business done in the country as during the year 1938. This was due to the fact that each dollar in demand deposits turned over 26½ times during the year 1929, whereas it turned over slightly more than 13 times during the year 1938.

This computation does not include turn-over of currency, as such figures are not available from any source. It has been estimated, however, by people who have a knowledge of this subject that 10 percent of the business transactions are paid by currency and coin and the other 90 percent by check, an accurate account of which the table discloses.

EVERY TIME DOLLAR PAID TO FARMER WAGE EARNERS ARE BENEFITED A DOLLAR

It is interesting to note that factory pay rolls follow closely the farm income. The people today realize more than ever before that in order to make the wage earners prosperous the farmers must be made prosperous. There is one way that this prosperity can commence, and that is to place added purchasing power in the hands of the farmer. For every dollar that is placed in the farmer's hands, the wage earner will also receive a dollar.

#### ABNORMAL YEARS IN TABLE

In studying these figures special consideration should be given to the amount of business transactions in New York City in 1928 and 1929, which was an unusual period, and the enormous amounts were caused largely by speculation. The year 1932 was also an unusual year, due to abnormal conditions.

#### ANNUAL INTEREST BURDEN

Interest payments have remained steady. Approximately \$5,000,000,000 a year is paid in interest. If a farmer borrows money when his cotton is worth 20 cents a pound, and he expects to produce cotton with that money for which he will receive 20 cents a pound, he is required to pay twice as much in what he has to pay with if the cotton is reduced in price to 10 cents a pound, and instead of him paying 8 percent interest, he will be required to pay 16 percent interest in what he has to pay with.

#### FIXED CHARGES BURDENSOME

There are certain fixed charges which can be made less burdensome only by good prices and good wages. If the farmer receives good prices and the wage earner receives good wages, the amount that is paid for these fixed charges is reduced in proportion. I refer particularly to railroad

freight and passenger rates; utility services, such as electricity, gas, water, and telephone; interest; and all debts and taxes. If we reduce prices and wages 50 percent, it has the effect of doubling these fixed charges in what the people have to pay with. Therefore it is in the interest of the country that the farmers and wage earners be made prosperous in order that the enormous debts, taxes, and other fixed charges may be paid without reducing the labor of the masses to drudgery.

It is in the interest of those who have so much control over our monetary system to make money high and dear in order that everything else may be relatively cheap, because it gives them greater power and control over the economic system of our country and causes their money to buy more. It is in the interest of those who receive their income from bonds and securities and other fixed charges herein named to keep prices low and wages cheap.

The tables prepared by Dr. Goldenweiser are as follows:

Figures on banking and business statistics

Year	Bank debits	Demand deposits adjusted	Deposit turn-over (annual rate)	Currency outside banks	Farm income	Farm prices	Factory pay rolls (index Nos. 1923-25 average = 100)	Interest payments
	In billions of dollars	In billions of dollars		In millions of dollars	In millions of dollars			National Bureau U. S. Department of Commerce
								In billions of dollars
1919	643	17.0	22.3	3,610	-----	-----	98	3.0
1920	702	19.1	21.8	4,130	-----	-----	117	3.4
1921	575	17.0	18.8	3,700	-----	-----	76	3.5
1922	624	18.0	19.7	3,360	-----	-----	81	3.7
1923	666	18.9	19.3	3,760	-----	-----	103	3.9
1924	694	19.6	18.7	3,663	9,785	-----	96	4.2
1925	795	21.2	19.7	3,590	10,324	-----	101	4.4
1926	845	21.6	20.0	3,620	9,993	-----	104	4.6
1927	920	22.3	21.1	3,580	10,016	-----	102	4.9
1928	1,074	22.8	23.5	3,635	10,289	-----	104	5.2
1929	1,227	22.9	26.5	3,617	10,479	-----	110	5.4
1930	900	22.0	19.9	3,513	8,451	-----	89	5.5
1931	663	19.5	16.4	3,920	5,899	-----	68	5.5
1932	458	16.3	13.8	4,617	4,328	-----	47	5.4
1933	424	15.1	14.3	4,767	5,117	-----	50	4.8
1934	478	16.7	15.0	4,717	6,348	-----	65	4.6
1935	534	20.4	14.6	4,807	7,090	-----	74	4.4
1936	611	23.9	14.8	5,250	7,944	-----	86	4.7
1937	634	24.9	14.8	5,590	8,574	-----	102	4.7
1938	553	24.9	13.2	5,663	7,632	-----	78	4.6

#### INDEX NUMBERS, 1926=100

Year	Bank debits	Demand deposits	Deposit turn-over	Currency outside banks	Farm income	Farm prices	Factory pay rolls	Interest payments
1919	76.1	78.6	111.5	99.7	-----	157.6	94	66
1920	83.1	88.3	109.0	114.1	-----	150.7	112	74
1921	68.0	78.8	94.0	102.2	-----	88.4	73	77
1922	73.8	83.2	98.5	92.8	-----	93.8	78	80
1923	78.8	87.3	98.5	103.9	-----	98.6	99	86
1924	82.1	90.6	93.5	101.1	97.9	100.0	92	91
1925	94.1	97.9	98.5	99.2	103.3	109.8	97	96
1926	100.0	100.0	100.0	100.0	100.0	100.0	100	100
1927	108.9	103.0	105.5	98.9	100.2	99.4	98	106
1928	127.1	105.3	117.5	100.4	103.0	105.9	99	113
1929	145.2	106.1	132.5	99.9	104.9	104.9	106	118
1930	106.5	101.7	99.5	97.0	84.6	88.3	86	122
1931	78.5	90.2	82.0	108.3	59.0	64.8	65	120
1932	54.2	75.5	69.0	127.5	43.3	48.2	45	114
1933	50.2	69.8	71.5	131.7	51.2	51.4	48	107
1934	56.6	77.4	75.0	130.3	63.5	65.3	62	110
1935	63.2	94.4	73.0	132.8	70.9	78.8	71	107
1936	72.3	110.4	74.0	145.0	79.5	80.9	82	105
1937	75.0	115.4	74.0	154.4	85.8	86.4	98	106
1938	65.4	115.0	66.0	156.4	76.4	68.5	74	104

1 Preliminary.

2 Partly estimated.

Bank debits: These figures are a rough estimate of the annual volume of check payments. They include the charges made to deposits, except interbank deposits, at all commercial banks and thus reflect (1) payments for goods in various stages of production and distribution, (2) payments for services, i. e., wages, salaries, rents, dividends, taxes, etc., (3) payments arising out of financial transactions, such as property transfers and security trading, and (4) mere transfers of funds, as in gifts, in making and repaying loans, and in shifts of deposits between accounts. Demand deposits adjusted: Demand deposits, other than interbank and U. S. Government deposits, less cash items reported as in process of collection. Figures are for call dates as follows: For June through 1927, average of June and December for 1928, and averages of June and December of year indicated and of previous December beginning with 1929. Deposit turn-over: Annual rates of turn-over of deposits, excluding interbank deposits, at all commercial banks. Currency outside banks: Partly estimated.

Farm income: Cash farm income including Government payments published by the Bureau of Agricultural Economics; no figures available for years prior to 1924. Farm prices: Wholesale prices of farm products published by the Bureau of Labor Statistics. Factory pay rolls: Total wage payments in manufacturing industries published by the Bureau of Labor Statistics. Interest payments: Index is based on data published by the National Bureau of Economic Research for the years 1919-29 (Simon Kuznets, National Income and Capital Formation, 1919-35, p. 24, National Bureau of Economic Research, 1937) and by the U. S. Department of Commerce for the years 1929-38 (Income in the United States, 1929-37, p. 22, U. S. Department of Commerce, November 1938). These data on interest payments represent part of estimated total national income paid out.

## Debits to individual accounts

Year	All commercial banks	New York City	Outside New York City	Index numbers (1926=100)		
				All commercial banks	New York City	Outside New York City
	In billions of dollars	In billions of dollars	In billions of dollars			
1919	643	268	375	76.1	71.8	79.4
1920	702	265	437	83.1	71.0	92.6
1921	575	228	347	68.0	61.1	73.5
1922	624	264	360	73.8	70.8	76.3
1923	666	262	404	78.8	70.2	85.6
1924	694	290	404	82.1	77.7	85.6
1925	795	344	451	94.1	82.2	95.6
1926	845	373	472	100.0	100.0	100.0
1927	920	431	489	108.9	115.5	103.6
1928	1,074	550	524	127.1	147.5	111.0
1929	1,227	663	564	145.2	177.7	119.5
1930	900	423	477	108.5	113.4	101.1
1931	663	290	373	78.5	77.7	79.0
1932	458	185	273	54.2	49.6	57.8
1933	424	177	247	50.2	47.5	52.3
1934	478	183	235	56.6	49.1	62.5
1935	534	204	330	63.2	54.7	69.9
1936	611	230	381	72.3	61.7	80.7
1937	634	218	416	75.0	58.4	88.1
1938	553	186	367	65.4	49.9	77.8

<sup>1</sup> Preliminary.

Bank debits: These figures are a rough estimate of the annual volume of check payments. They include the charges made to deposits, except interbank deposits, at all commercial banks and thus reflect (1) payments for goods in various stages of production and distribution, (2) payments for services, i. e., wages, salaries, rents, dividends, taxes, etc., (3) payments arising out of financial transactions, such as property transfers and security trading, and (4) mere transfers of funds, as in gifts, in making and repaying loans, and in shifts of deposits between accounts.

## GOVERNMENT OWNS ALL GOLD

Under existing law the title to all gold in the United States, except that held for foreign governments and foreign central banks, is in the Government of the United States. Excluding the gold that is earmarked for foreign banks and foreign governments, the United States Treasury has in its charge and the Government owns today more than \$15,000,000,000 in gold. If this gold were to be used as a reserve for the issuance of currency or Government credit on a 40-percent gold base, it is sufficient to support an issue of \$37,500,000,000.

## INFLATION NOT DESIRED

No one is advocating inflation of the currency or credit. I believe that most of the students of this problem are advocating reasonable expansion, within reasonable limitations, of the currency and credit.

## LONG-TIME PROGRAM TO PAY NATIONAL DEBT

It is my belief that we should commence now on a long-time program, one that will probably take 20 years to safely complete, that will cause the Government to eventually liquidate the national debt through the purchase of this debt with the Government's credit and thereby save the taxpayers approximately \$1,000,000,000 a year.

## GOLD FOR PARITY PAYMENTS AND FARM-TENANT PURCHASE PROGRAM

At this time I believe that Congress should seriously consider setting aside \$1,000,000,000 of this gold, or even more, for a farm-tenant purchase program and for parity payments to farmers. The money could be loaned to tenants to become home owners as outlined in a bill which has been introduced by the Honorable MARVIN JONES. The law should not require a down payment of any kind and should be for at least 40 years, at a rate of interest not exceeding 3 percent, and I believe it could safely be done at 2 percent or even less. Such a program would permit several hundred farm tenants to purchase homes the next year, and as they make payments on their loans this money could be used by other tenants to buy homes. The reason that no down payment should necessarily be required is that the property which secures one of these loans will immediately become much more valuable because of the favorable terms of repayment of the mortgage. Therefore the Government will not be in any danger of standing a loss.

## CLOUD CAN BE REMOVED FROM GOVERNMENT TITLE TO GOLD

It will be contended that the Government has issued gold certificates to the Federal Reserve banks on this gold. That

is true, but it is merely a bookkeeping transaction. Congress can, by the passage of a law containing only a few lines, remove the cloud from the title of this gold caused by the issuance of these so-called gold certificates. All that is needed is for Congress to reimburse the private banks for the \$134,000,000 that they have invested in the 12 Federal Reserve banks and to take them over in the public interest. The surplus that would be obtained by such acquisition is about twice the amount of \$134,000,000 stock, and all the assets of these banks would become the property of the Government.

I do not advocate the Government going into the banking business, but I do believe that the banks should be compelled to get out of the Government's business—that is, exercising the power of control over the monetary system that sets the price of all goods and services. This great system should be an arm of the Government. As it is, the Board and all of the officials connected with this system receive their pay indirectly—if not directly—from the private banks.

## TRADE COTTON FOR NEEDED RAW MATERIALS

We have on hand an enormous cotton supply. The Government has loans on 11,500,000 bales of cotton. Cotton never deteriorates. It will last for thousands of years. For that reason, it should not be destroyed, but something should be done to take a substantial portion of this cotton off the market. There are many raw materials that are needed by the industries in our country in peacetime and in wartime that we do not have, cannot produce, and cannot obtain except from foreign countries. These minerals and raw materials, if obtained, could be stored for future use without deterioration, waste, or loss. Therefore, it occurs to me that we should set aside to the Secretary of State or to some suitable official or commission four or five million bales of this cotton, or at least a large amount to be used over a long period of time to exchange in an orderly way for these different raw materials, and especially minerals that we use and need and do not have. There is no reason that I know of why we should not undertake a program of this kind that would extend over a long period of time.

## USE PART OF GOLD FOR NATIONAL DEFENSE

We do not know what is going on between other countries of the world and their leaders. The information we receive cannot always be relied upon. We do know that our Nation should be adequately prepared to resist any attack that is made upon it by any country in the world. I am opposed to sending our soldiers to foreign countries to engage in a war, but I am in favor of using all means at our command to properly protect our country at all times and under all conditions if it is attacked. If we were to set aside a billion dollars of this gold for the purposes of national defense, using it to pay a large Army and Navy, including the National Guard and other Reserves, and to build proper and adequate fortifications and instruments of defense, an upturn in business would be caused immediately and we would be accomplishing something worth while for our country, not only now but for the future as well.

## STOP ISSUING BONDS WILL HELP COUNTRY

If Congress should cause to be passed a resolution to the effect that no more interest-bearing bonds will be issued during the next 2 years, and that all payments that are necessary to be made by the Government will be made through the issuance of the Government's credit, which may be based upon an adequate gold reserve, our depression would be over.

There is only one way to increase the amount of business transactions in our country and the velocity of money, and that is to put money into circulation to take the place of the enormous demand deposits that are now being hoarded and are not in active use.

## CONCLUSION

Summing up, I believe the following should be done:

First. Congress should adopt the policy of not issuing any more bonds or securities of any kind that are interest bearing during the next 2 years.

Second. One billion dollars of gold or more should be set aside to enable tenants to purchase homes on long terms at



a low rate of interest and to make parity payments to farmers. This would provide at least two and one-half billion dollars for those purposes and permit several hundred thousand tenants to become home owners and restore prosperity to the farmers through parity price payments.

Third. Set aside a very large amount of our enormous gold supply to be used for national-defense purposes, which is not only needed for national defense but to give people work, thereby reducing unemployment and relieving distress.

Fourth. Set aside several million bales of surplus cotton to be used by the Secretary of State or some other official or commission to exchange for raw materials, and especially minerals that can only be obtained from foreign countries, and which we need and use in this country every day, both in time of peace and in time of war.

Let us put this gold into use. A small part of the gold our Government owns is sufficient to restore prosperity to our people.

Millions of our people want work. They need goods and services. Our country is in need of a well-financed program for adequate national defense. Millions of farmers can become home owners without cost to our Government. A supply of raw materials sufficient to last a quarter of a century, a half century, or longer, which our people need and which can be obtained only from foreign countries, can be acquired.

All these benefits can be obtained by properly using our surplus gold and our surplus cotton.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. PACE. In the bill reported out of the Committee on Military Affairs there is a provision permitting and directing the exchange of surplus agricultural commodities for these necessary war materials.

Mr. PATMAN. To what extent?

Mr. PACE. One hundred million dollars.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. MURDOCK of Arizona. I am in agreement with that proposition, providing it means getting these strategic war materials at once, so that we can have them in a comparatively short time, but to me that as a permanent policy I believe to be very unwise, for we ought to begin to produce everything that can possibly be produced in our own land as a measure of national security.

Mr. PATMAN. I thoroughly agree with the gentleman, but some things we have not been able to produce and I have reference to them, and it is not likely that we will be able to produce them in the future.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. PACE. There were two questions I wish to ask the gentleman. How does the gentleman propose to get this money, the extra issue of money, into the hands of the people today who have no purchasing power? What would be the method of getting it out of the United States Treasury, we will say, and into the hands of the man who is in want?

Mr. PATMAN. I think there are many ways of doing that. Of course, one way is through the W. P. A., another P. W. A., but I think if the farmers receive parity prices, and we had an adequate defense program on which to spend the money that should be spent, that most of our people would be employed. I do not think we would need very much of W. P. A. There are many ways by which we can get the money into circulation.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. AUGUST H. ANDRESEN. I do not know whether the gentleman saw the picture, but a man was here showing certain changes in our monetary system and he suggested that the Federal Reserve turn over to the Government a sufficient amount of currency to be used exclusively for public works, the W. P. A., and old-age pensions.

Mr. PATMAN. I saw the picture, and it was interesting and instructive. It suggested a fine way to get the money in circulation. The picture is based upon a book, *In Defense of Capitalism*, written by James H. R. Cromwell and Hugo E. Czerworsky. The picture was made by these gentlemen and is being shown by them to Members of the House and Senate.

Mr. AUGUST H. ANDRESEN. That is one way to get it out, and easily.

Mr. PATMAN. And in conclusion, Mr. Speaker, I insist that this gold should be used for a good and useful purpose and not hoarded.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. LEAVY. I am generally in accord with the gentleman's statement with reference to making use of the tangible gold that we have, a real utility use, but would not every argument that is advanced be equally an argument for silver?

Mr. PATMAN. Yes. We should use both gold and silver.

Mr. LEAVY. We are using silver now.

Mr. PATMAN. Yes. We use both gold and silver. That would include silver, but it just happens that we have such an enormous gold supply. We have over half the gold of the entire world.

Mr. LEAVY. We are now using silver to the extent of \$1,700,000,000 in certificates.

Mr. PATMAN. I did not discuss silver since there is so much gold and a sufficient amount for all purposes I have discussed.

Mr. LEAVY. The gentleman would be favorable to making full use of silver at the present time?

Mr. PATMAN. Yes. It should be done.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

The gentleman from Wisconsin [Mr. GRISWOLD] is recognized for 5 minutes.

Mr. GRISWOLD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter from Mr. James R. Law, mayor of the city of Madison, Wis.

The SPEAKER pro tempore. Is there objection?

There was no objection.

#### PUTTING MEN TO WORK

Mr. GRISWOLD. Mr. Speaker, a few days ago we had under consideration an additional appropriation to the Works Progress Administration of \$100,000,000, and before this session is over we shall probably have under consideration additional appropriations for the same purpose. Our average annual appropriation for the W. P. A. over the last 4 years will exceed a billion and a half dollars. It is one of the major items in the building up of our constantly increasing national debt. I do not believe that any Member feels these appropriations can be continued much longer.

#### THE FALLACY OF BUYING POWER

When the original appropriations were under consideration much was said about increasing the buying power, but when great appropriations were made and no material change in buying power resulted, this argument was dropped. The truth is that we cannot take money from one class, either by borrowing or by taxation, and increase our total buying power. We merely transfer it. Taxes and borrowed money decrease buying power faster than the money so taken can give employment. We cannot create wealth by borrowing and taxation. Labor and the materials which labor produces are our only form of wealth.

#### MILLIONS OUT OF WORK

The argument for W. P. A. appropriations now comes down to the fact that there are millions of men out of work who must be provided for. The vote of Members in this House on further W. P. A. appropriations seems to be largely determined by the number of unemployed in their district. Legislation is for the present only and we operate in a period of constant emergency.

## PROVIDING PRIVATE EMPLOYMENT

The argument is advanced that we must provide work until such time as private employment provides jobs for our unemployed. So far as I know, however, Congress has not introduced or considered any legislation that would take from the private employer the excessive burden placed on him by previous legislation. Congress has refused to consider legislation that would encourage and promote industry and the employer of labor to the end that all men would have employment at reasonable wages. The employer of labor and the industry he represents must mark time until proper legislation releases him to go forward. The unemployed must walk the streets or depend on W. P. A. or relief until such time as industry is allowed to operate at capacity.

## THE REMEDY

The rule adopted for the consideration of the last W. P. A. appropriation prevented the introduction of the following amendment which I proposed:

*Provided, That the Works Progress Administrator may, in his judgment, use a portion of this appropriation toward the encouragement in private employment of persons carried on the rolls of the Works Progress Administration.*

At the first opportunity an amendment in this or other form will be presented. It is an endeavor to place in private employment those now unemployed. In operation it would allow the Works Progress Administrator to pay a portion of the relief cost to the private employer who would find employment for men now on the W. P. A. rolls. It would stimulate employment in industry of every kind. It would put men to work in private employment. It would be the beginning of the transfer to private employment of the men now on the relief rolls. It would reduce the W. P. A. appropriation and be a step toward the return of normal employment. [Applause.]

Mr. Speaker, in this connection I wish to call your attention to the following letter from Mr. James R. Law, mayor of the city of Madison, Wis., and president of the Wisconsin League of Municipalities:

OFFICE OF THE MAYOR,  
Madison, Wis., March 15, 1939.

Mr. PAUL V. BETTERS,  
Executive Director, United States Conference of Mayors,  
Washington, D. C.

DEAR PAUL: In this morning's mail I received a letter from Mayor Hoan with enclosure of recommendations of the United States Conference of Mayors on Senate bill 1265. I read this through very carefully and again, as in former years, I feel that the United States Conference of Mayors has missed an opportunity to be of service to this country. If the roof of my house is leaking, I do not continually year after year repair the damage to the rooms underneath; first I make an effort to repair the leak.

On the last page of your report you say, "It is high time that we cease talking about work-relief needs as a temporary problem of government. Those who face the problem frankly know that relief is and will be a continuing job of society."

I agree with this statement because this was true since our country was formed 150 years ago. We have always met this problem, and I do not suppose anyone has ever starved in this country. The point at issue is, How great a problem is this to be, and do we want to admit that the problem we speak of contemplates the present 10,000,000 of unemployed? If we do, I feel this is an admission of defeat, and if we are to admit this then we must revise our entire mode of living. Our standard of living in this country must be reduced one-half. We cannot support schools, universities, churches, government, and other similar institutions on the basis upon which we are now operating them. We have done this for the past 6 or 7 years by borrowing; we all recognize this borrowing cannot be continued forever. To have done it on a "pay-as-you-go" basis, as you suggest, would have caused a reduction in the standard of living which I mentioned above. However, I do not agree that this is necessary.

This country is not now greatly different than it was in 1925 and 1926 and 1927; and in those years, right here in Madison, conferences used to be held between industrialists and contractors, and at those conferences the work was scheduled so that one group would not compete with the other for the available labor. In other words, there was more work projected than there were men available to perform. In the building industry, with which I was affiliated, men were working Saturday afternoons and Sundays at double pay. Everyone who wanted a job had one. Given the proper encouragement and incentive, millions of our unemployed today can again be employed by private industry. I would not ask the return of boom conditions in 1925, 1926, and 1927, and this would not be necessary.

I recognize the need for aid to the unemployed until this correction in industry is made. I should like to see a paragraph in your report urging Government assistance to business and industry so as to reduce the relief load. So far we have tried to lick the depression without this aid; does it not seem reasonable to devote a couple of years in at least trying the other method? Others are apparently thinking of this. I offer the speech, Stimulation of Private Industry, by Hon. HARRY W. GRISWOLD before the House of Representatives February 23, 1939, and recommend careful reading of this speech.

I would like to see the conference of mayors endorse some such suggestion in their report.

Very truly yours,

JAMES R. LAW.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, I ask unanimous consent that my time may be extended 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

## NATIONAL LABOR RELATIONS BOARD

Mr. FISH. Mr. Speaker, I listened with interest to what the gentleman from Georgia [Mr. Cox] had to say about the actions of the National Labor Relations Board. I hope that the Congress of the United States will not adjourn without considering proper amendments and modification of the National Labor Relations Act. It is the duty of the proper committee in this House to hold open hearings. I believe on both sides there are many Members who are convinced that the best way to restore confidence among business elements, if not also with labor, is to amend and make this law workable and fair to all elements of our population; and I predict if they do that, confidence will be partially restored and we will again be on the highway to recovery. It is one of the main stumbling blocks. The great difficulty with the country at the present time is that there is fear and lack of confidence. I hope that the Committee on Labor will agree to open hearings and I hope that the Rules Committee, of which I am a member, will report out next week the Anderson amendment, proposing an investigation of the actions of the National Labor Relations Board, their personnel, their qualifications, and their capacity to carry out the laws and the intent of the Congress to diminish the cause of labor disputes and to promote recovery.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. SHORT. I think it is generally agreed throughout the country that the National Labor Relations Board has acted as investigator, prosecutor, judge, and jury at the same time, and that very little regard has been given to the established rules of procedure. But does not the gentleman feel that bad as the administration has been, they have been forced to labor under a rather bad law itself that should be amended?

Mr. FISH. I agree thoroughly with the gentleman from Missouri that it is a bad law, an unfair law, and should be amended. Probably the personnel of the Board should be changed.

I would like to know who is blocking consideration of these proposed amendments. I am inclined to believe that word has come down from the White House. I have seen it repeatedly stated by spokesmen of the New Deal that there would be no consideration or modification of the Wagner National Labor Relations Act at this session of Congress. Apparently there is somebody blocking a hearing and action by the House of Representatives, and I assume that it must be on order from the White House. I know it is from his spokesman. It is not only a matter that affects business interests but today's paper reports that the peace conference between the American Federation of Labor on the one side and the C. I. O. on the other has been indefinitely postponed until this matter is considered by the Congress.

Mr. SHORT. Will the gentleman yield further?

Mr. FISH. I yield.

Mr. SHORT. Could the administration possibly be influenced by the \$500,000 raised by John L. Lewis from the



United Mine Workers of America and contributed to Mr. Roosevelt's campaign fund for reelection in 1936?

Mr. FISH. They apparently have been influenced by that \$500,000 for the last few years, and I anticipate that, expecting some more contributions, they will continue to be influenced in that direction.

I also want to say a few words in my limited time regarding the remarks made by Henry L. Stimson, former Republican Secretary of State under the Hoover administration, before the Senate Foreign Relations Committee this morning.

Mr. Stimson, speaking for himself and within his own rights, advocated collective security, economic sanctions, aggressor nation powers, and delegating away from the Congress practically the power to declare war. It is not unusual for Secretaries of State and former Secretaries of State to be obsessed with the idea that they must have all the power to determine our foreign policies; that the Congress is in their way; therefore, the Congress should give up the power to declare war and turn that power over to the President and the Secretary of State.

Mr. Stimson in his remarks does not speak for the Republican Party. [Applause.] I say without fear of contradiction here or elsewhere that there are not two Republicans in the House or in the Senate that agree with the international doctrines of Mr. Stimson. [Applause.] He is an internationalist and an interventionist. He seeks to take away these war-making powers from the Congress and turn them over to the President. He has been repudiated by his former chief, ex-President Herbert Hoover. He has been repudiated constantly by almost every authority in the Republican Party on international affairs. Nevertheless—and this is what I resent—he is being used by the present New Deal administration, he is being produced as exhibit No. 1 to appear before the Senate Foreign Relations Committee to uphold the internationalist and interventionist policies of the administration because he is a Republican and has been a former Secretary of State.

I do not believe that the Republicans throughout the country will be misled into believing that he represents in any degree the foreign policies of the Republican Party. But to make sure, let me reiterate them. We believe in our American traditional policies of neutrality, nonintervention, peace, and no entangling alliances.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. SCHAFER of Wisconsin. The gentleman indicated that Mr. Stimson was a star witness because he is a Republican. Would not the gentleman more correctly state the facts if he indicated that he was a Republican but that now he is a New Deal Charlie McCarthy?

Mr. FISH. I understand the sentiments and the motives of the gentleman from Wisconsin, and so far as his remarks are directed at the views of Mr. Stimson on international affairs I am thoroughly in accord with him. On domestic policies Mr. Stimson is 100 percent against the New Deal. But he is being used, and he is permitting himself to be used—in fact, he is encouraging the use of his views before the administration committee in the Senate.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FISH. I conclude that the administration is making use of him to influence the rank and file of the Republican Party to believe that maybe, after all, the President is right in his interventionist policies and that Mr. Stimson speaks for the Republican Party. I want to insist, above all, that, outside of Mr. Stimson, Mr. Nicholas Murray Butler, and a few other internationalists who advocated the League of Nations in the past, and who have not changed their minds,

and who are still internationalists and interventionists, do not represent the foreign policies of the Republican Party, which seeks to keep us out of all entangling alliances, military or naval commitments, and foreign wars. [Applause.]

[Here the gavel fell.]

#### ROOSEVELT URGES SOUTH TO COMPETE WITH NORTH

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, on July 5, 1938, President Roosevelt called the South "the Nation's No. 1 economic problem."

On March 31 he urged the South to take itself "out of hock to the North" by establishing its own enterprises with its own capital and by going into competition with the North in dairying, apple culture, and meat and shoe production.

Speaking of noisy milk trains passing his cottage at Warm Springs, Ga., Mr. Roosevelt said:

That milk and cream for Florida came from Wisconsin and Minnesota and Iowa and Illinois. \* \* \*

You and I know \* \* \* the [Southern] States can produce perfectly good milk and cream.

I went \* \* \* to buy some apples. \* \* \* The only ones I could find came from Washington and Oregon.

I went to buy meat. \* \* \* The only meat I could buy came via Omaha and Kansas City and Chicago.

I wanted \* \* \* a pair of shoes. \* \* \* The only shoes I could buy had been made in Boston or Binghamton, N. Y., or St. Louis. \* \* \*

I don't believe that the South is so broke that it cannot put its own capital into the establishment of its own enterprises.

On March 29 the President wrote to Senator HARRISON opposing increased tariffs on certain imported vegetable oils competitive with southern oils. He said these increased tariffs would interfere with the reciprocal-trade treaties.

Here was a chance to help the South. Instead the President opposed this measure.

Industrial and agricultural chemists and economic experts know positively that there are many products peculiarly adaptable to the southern soil and climate which, with Government help, would take the place of cotton. These include development of plastics industries; the synthetic-resin industry; southern slash pine for the manufacture of print paper, now imported from Canada; raising of tung nuts for tung oil, now imported from China; cultivation of southern sweet-potatoes for starch, now imported as tapioca; the use of cotton fabric on secondary highways; the use of cotton bagging instead of jute; the production of power alcohol from agricultural raw materials; the reservation of domestic markets for peanuts, peanut oil, and cottonseed oil; and the development of a large number of other noncompetitive crops and industries.

These new crops and new industries are prevented today by the reciprocal-trade policy. There is no reason for the South to compete with northern producers while neglecting these new crops and new industries, which are not competitive with the North and which would not draw factories from the North to southern low-wage areas—as in the case, to a very great extent, of the textile mills of New England.

In other words, the solution of this problem is not to encourage southern production of commodities which the Government is now paying northern producers to limit, but to find new markets and new uses for products which the South can raise without competing with the North. The northern farmer cannot produce the crops peculiar to the South, while the South can produce all of the northern crops. If the South should follow President Roosevelt's advice, it would create the greatest dislocation of agriculture ever experienced in any nation. The inevitable result would be to utterly ruin the northern diversified farmers, and the North would then become the Nation's No. 1 economic problem.

#### ROOSEVELT WRITES ONE-WAY TICKET FOR SOUTH

Possibly the final and greatest of all New Deal experiments is found in the President's latest attempt to unbalance the

economy of a united nation by his advocacy of complete industrial and agricultural self-containment for the South. This has been his goal for the past 6 years. And what are the results?

Before the New Deal "the noisy milk trains from Minnesota, Wisconsin, and Iowa" carried cream, milk, butter, and cheese to our friends and neighbors in the South and returned to the North full laden with cotton, cotton goods, cottonseed oil and cake, peanuts, tobacco, sugar, molasses, oranges and other citrus fruits, petroleum, and scores of other products produced exclusively in the South. Now, under the New Deal experimentation, the noisy milk trains from the North have been silenced. They run no more, for the New Deal has subsidized and financed the South to become self-contained in dairy production. But the Northern States continue to buy more and more products from the South, and the trains run back empty.

The events of the past 6 years under New Deal planning have brought about more than self-sustaining production of corn, pork, beef, and dairy products in the South. In fact, records disclose that surpluses of these products are being produced, and high southern officials boast of trainload shipments to markets of the North in direct competition with northern producers engaged in similar production at a higher cost. The New Deal has succeeded in silencing the "noisy" corn, pork, and beef trains from the North. But the people of the North continue to buy the ever-increasing supply of products from southern producers.

#### THE SOUTH LURES NORTHERN INDUSTRY

Under extraordinary inducements from Southern States and communities to give free rent, free buildings, no taxes, and low labor costs, industry is being lured away from Northern States. The South now leads in the following industrial fields: Heavy chemicals, pulp and paper, rayon, textiles, tobacco, and petroleum. Two-thirds of all new industrial investments for 1936 and 1937 went to the South. The amount spent south of the Mason and Dixon's line for new industry in those years approximated \$186,000,000.

Packing plants, creameries, tire factories, furniture factories, shoe factories, and scores of other lines of industrial activity are springing up over the entire South. Does the President recommend that all industry move south? And does he want only empty trains returning to the South? No parity freight rates can be allowed on one-way empty trains.

Neither North nor South can long survive on a one-way ticket. Planned economy under Government subsidy and regimentation will, in the last analysis, bring ruin to all sections, create trade and other barriers between North and South, and a general disintegration of the Union.

#### EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN, Mr. SHANLEY, and Mr. BENDER asked and were given permission to revise and extend their own remarks.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DEROUEN (at the request of Mr. GRIFFITH), for 5 days, on account of important business.

To Mr. BOEHNE, for 1 week, on account of business.

To Mr. POLK, for 5 days, on account of important business.

To Mr. LARRABEE, for 1 week, on account of official business.

#### ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3577. An act to amend the Canal Zone Code.

#### ADJOURNMENT

Mr. SMITH of Virginia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 24 minutes p. m.) the House adjourned until tomorrow, Thursday, April 6, 1939, at 12 o'clock noon.

#### COMMITTEE HEARINGS

##### COMMITTEE ON WAYS AND MEANS

Public hearings will continue on Thursday, April 6, 1939, at 10 a. m., on social-security legislation in the Ways and Means Committee room in the New House Office Building.

##### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the subcommittee of the Interstate and Foreign Commerce Committee on the trust-indenture bill (H. R. 5220). The hearings are being held in the Interstate and Foreign Commerce Committee room and began April 4, 1939, at 10 a. m. The hearings will be continued on April 5 and 6. Proponents of the bill were heard on the 4th and opponents will be heard on the 5th and 6th.

##### COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Thursday, April 6, 1939, at 10:30 a. m., to continue hearings on the project for the Connecticut River, Conn. and Mass.

##### COMMITTEE ON WAR CLAIMS

There will be an executive session of the full Committee on War Claims at 10:30 a. m., Friday, April 7, 1939, to consider reports on bills by the subcommittees.

##### COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, April 11, 1939, at 10:30 a. m., to begin hearings on the project for the Lake Erie and Ohio River Canal.

##### COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 3 of the Committee on the Judiciary at 10 a. m. Wednesday, April 12, 1939, on the bill (H. R. 5138) to make unlawful attempts to overthrow the Government of the United States, to require licensing of civilian military organizations, to make unlawful attempts to interfere with the discipline of the Army and Navy, to require registration and fingerprinting of aliens, to enlarge the jurisdiction of the United States Circuit Court of Appeals in certain cases, and for other purposes. The hearing will be held in the Judiciary Committee room, 346 House Office Building.

##### COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

Thursday, April 6, 1939:

H. R. 1011, acquisition of drydock facilities for United States Maritime Commission on San Francisco Bay (WELCH); H. R. 2870, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (THOMAS F. FORD); H. R. 3040, acquisition of drydock facilities for United States Maritime Commission at Los Angeles (GEYER of California).

Tuesday, April 11, 1939:

H. R. 1783, inspection of hulls of sail vessels and barges (BLAND); H. R. 1785, motorboat bill (BLAND); H. R. 1795, motorboat bill (HENDRICKS); H. R. 1809, inspection of motorboats, 15 gross tons up (MAGNUSON); H. R. 2398, regarding pilots on yachts (ANGELL); H. R. 3837, inspection of motorboats, 15 gross tons up (CONNERY).

Thursday, April 13, 1939:

H. R. 4220, load-line bill for seagoing vessels (BLAND).

Tuesday, April 18, 1939:

H. R. 2404, surgeon and hospital on vessels (SIROVICH); H. R. 2660, limitation of liability (SIROVICH); House Joint Resolution 153 and House Joint Resolution 194, investigate conditions pertaining to lascar seamen (SIROVICH).

On Wednesday, April 19, 1939, at 10 a. m., the Committee on Merchant Marine and Fisheries will resume hearings on the bill H. R. 5130, to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

603. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated



February 24, 1939, submitting an interim report, together with accompanying papers and illustrations, on reexamination of Guadalupe River, Tex., in the interest of navigation, flood control, water power, and irrigation, and of the channel at Seadrift, Tex., requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted April 8, 1938, and September 25, 1937 (H. Doc. No. 247); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

604. A letter from the Acting Secretary of War, transmitting draft of a proposed bill to amend section 4a of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended; to the Committee on Military Affairs.

605. A letter from the Acting Secretary of the Treasury, transmitting a proposed bill to amend the act of March 28, 1928 (45 Stat. 374), as amended; to the Committee on Ways and Means.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BUCKLER of Minnesota: Committee on Indian Affairs. H. R. 3248. A bill authorizing a per capita payment of \$15 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation; without amendment (Rept. No. 378). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUMNERS of Texas: Committee on the Judiciary. Senate Joint Resolution 90. Joint resolution to amend the joint resolution approved June 16, 1938, entitled "Joint resolution to create a Temporary National Economic Committee"; without amendment (Rept. No. 379). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3838. A bill to protect trade-mark owners, producers, distributors, and the general public against injurious and uneconomic practices in the distribution of competitive commodities bearing a distinguishing trade-mark, brand, or name through the use of voluntary contracts establishing minimum resale prices and providing for refusal to sell unless such minimum resale prices are observed; without amendment (Rept. No. 380). Referred to the House Calendar.

Mr. JONES of Texas: Committee on Agriculture. House Joint Resolution 258. Joint resolution to amend section 8 (f) of the Soil Conservation and Domestic Allotment Act, as amended; without amendment (Rept. No. 381). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 5031. A bill for the relief of the sufferers from the earthquake in Chile; without amendment (Rept. No. 382). Referred to the Committee of the Whole House on the state of the Union.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 5356) to pay the adjusted-compensation benefits due to Nola McKnight, and the same was referred to the Committee on War Claims.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CREAL:

H. R. 5573. A bill to change the designation of Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland; to the Committee on the Public Lands.

By Mr. LELAND M. FORD:

H. R. 5574. A bill to authorize the transfer of lands between the city of Los Angeles, Calif., and the United States; to the Committee on Public Buildings and Grounds.

By Mr. HENNINGS:

H. R. 5575. A bill, Peace Act of 1939; to the Committee on Foreign Affairs.

By Mr. IZAC:

H. R. 5576. A bill to grant double-time credit for retirement purposes to enlisted men of the Army, Navy, Marine Corps, or Coast Guard for certain service during the World War; to the Committee on Military Affairs.

H. R. 5577. A bill authorizing the construction and equipment of a marine hospital at San Diego, Calif.; to the Committee on Merchant Marine and Fisheries.

H. R. 5578. A bill to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes"; to the Committee on Military Affairs.

By Mr. LEMKE:

H. R. 5579. A bill to relieve the existing national economic emergency by postalizing transportation rates; to provide for the incorporation of the Railroad Postalized Fare Guaranty Corporation in order to allot and apportion just and equitable indemnification to the railroad carriers; authorizing an appropriation for the purpose of carrying out the provisions of this act; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MARTIN of Iowa:

H. R. 5580. A bill to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended; to the Committee on Agriculture.

By Mr. O'CONNOR:

H. R. 5581. A bill to amend the act entitled "An act to establish a National Park Service, and for other purposes," approved August 25, 1916; to the Committee on the Public Lands.

By Mr. SANDAGER:

H. R. 5582. A bill to provide for a continuous census of unemployment, to stabilize employment, to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; to the Committee on Labor.

By Mr. SACKS:

H. R. 5583. A bill to amend section 7 of an act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, and for other purposes, as amended; to the Committee on the District of Columbia.

By Mr. BLAND:

H. R. 5584. A bill to amend the Canal Zone Code; to the Committee on Merchant Marine and Fisheries.

By Mr. CANNON of Florida:

H. R. 5585. A bill providing for reexamination and survey of St. Lucie Inlet, Stuart, Fla.; to the Committee on Rivers and Harbors.

By Mr. DISNEY:

H. R. 5586. A bill amending section 731 of the Revenue Act of 1932 and section 3460 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. DUNN:

H. R. 5587. A bill for the better assurance of the protection of persons within the several States from mob violence and lynching, and for other purposes; to the Committee on the Judiciary.

By Mr. McLEOD:

H. R. 5588. A bill to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent and punish the crime of lynching; to the Committee on the Judiciary.

By Mr. MURDOCK of Utah:

H. R. 5589. A bill relating to contracts and agreements under the Taylor Grazing Act; to the Committee on the Public Lands.

By Mr. O'CONNOR:

H. R. 5590. A bill to authorize the acquisition of certain lands within the State of Montana and the construction of dams and other water-control structures and improvements thereon for the purpose of establishing the Woody Island

Wildlife Refuge, and for other purposes; to the Committee on Agriculture.

By Mr. KING:

H. R. 5591. A bill to provide for the naturalization of natives of American Samoa; to the Committee on Immigration and Naturalization.

By Mr. SCHIFFLER:

H. Res. 153. Resolution directing the United States Tariff Commission to make investigations and reports under the authority of section 336 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. WINTER:

H. Res. 154. Resolution to require the Works Progress Administrator to publish the names, addresses, and monthly salaries of certain employees of the Works Progress Administration; to the Committee on Appropriations.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their Assembly Concurrent Resolution No. 1, with reference to Federal estate tax; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Nevada, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 14, with reference to Senate bill 1187, concerning the mining industry of Nevada; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to consider their resolution relating to the classification of brushes of the type used in the application of finger-nail polish; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to consider their resolution with reference to the Townsend national recovery plan; to the Committee on Ways and Means.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRYSON:

H. R. 5592. A bill for the relief of Vernon Atkison; to the Committee on Claims.

H. R. 5593. A bill for the relief of Mr. and Mrs. T. H. Minton; to the Committee on Claims.

By Mr. FLANNERY:

H. R. 5594. A bill for the relief of David Guiney; to the Committee on Military Affairs.

By Mr. GRANT of Alabama:

H. R. 5595. A bill for the relief of Howard H. Thames; to the Committee on Military Affairs.

By Mr. GRANT of Indiana:

H. R. 5596. A bill for the relief of Peter S. Kaminski; to the Committee on Military Affairs.

By Mr. HEALEY:

H. R. 5597. A bill for the relief of Sarah Klara Tankel Patt; to the Committee on Immigration and Naturalization.

By Mr. HEINKE:

H. R. 5598. A bill granting a pension to Sarah White; to the Committee on Invalid Pensions.

H. R. 5599. A bill for the relief of the Franklin Ice Cream Co.; to the Committee on War Claims.

By Mr. KING:

H. R. 5600. A bill for the admission of Ruth Molimau Kenison to American citizenship; to the Committee on Immigration and Naturalization.

By Mr. LECOMPTE:

H. R. 5601. A bill for the relief of John T. Clarkson; to the Committee on Claims.

By Mr. McGRANERY:

H. R. 5602. A bill for the relief of Rocky Brook Mills Co.; to the Committee on War Claims.

By Mr. O'NEAL:

H. R. 5603. A bill for the relief of John Bryson; to the Committee on Military Affairs.

By Mr. PITTENGER:

H. R. 5604. A bill for the relief of the First National Bank of Cloquet, Minn.; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 5605. A bill granting a pension to Alexander Hamric; to the Committee on Pensions.

By Mr. ROMJUE:

H. R. 5606. A bill granting a pension to Cecelia H. Shrock; to the Committee on Invalid Pensions.

By Mr. WHITE of Idaho:

H. R. 5607. A bill for the relief of George A. Meffan, United States marshal, district of Idaho; to the Committee on Claims.

H. R. 5608. A bill directing the payment to William H. Carter of travel allowances from Manila, P. I., to San Francisco, Calif.; to the Committee on War Claims.

By Mr. WOLFENDEN of Pennsylvania:

H. R. 5609. A bill for the relief of John Spiciaric; to the Committee on Immigration and Naturalization.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2320. By Mr. ASHBROOK: Petition of George A. Mayer and 39 others, favoring a referendum vote on war; to the Committee on the Judiciary.

2321. By Mr. BOLLES: Petition of sundry citizens of Kenosha, Wis., favoring a more far-reaching neutrality act so that the United States will not be drawn into conflict with foreign nations; to the Committee on Foreign Affairs.

2322. Also, petition of sundry citizens of Kenosha, Wis., protesting against our Government borrowing money from the privately owned Federal Reserve banks and favoring a new type of bond which will be free from interest and negotiable; to the Committee on Banking and Currency.

2323. By Mr. HART: Petition of the Board of City Commissioners of the City of Jersey City, N. J., requesting the Members of the House of Representatives from New Jersey and the New Jersey Senators to immediately do everything in their power to have these official orders reducing the personnel of the Works Progress Administration rescinded to bring about the reinstatement of the thousands of men and women already discharged, and the discontinuance of any further reductions of the Works Progress Administration force; to the Committee on Appropriations.

2324. By Mr. MARTIN J. KENNEDY: Petition of Lodge No. 191, International Association of Machinists, Grand Rapids, Mich., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2325. Also, petition of New Castle Lodge, No. 166, International Association of Machinists, New Castle, Pa., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2326. Also, petition of Paul Revere Lodge, No. 485, Brotherhood of Locomotive Firemen and Enginemen, Somerville, Mass., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2327. Also, petition of Lodge No. 614, International Association of Machinists, Mechanicsville, N. Y., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2328. Also, petition of Manly Lodge, No. 838, Brotherhood of Locomotive Firemen and Enginemen, Manly, Iowa, urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2329. Also, petition of the American Train Dispatchers Association, Madison, Wis., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.



2330. Also, petition of the Brotherhood of Locomotive Firemen and Enginemen, Indianapolis Union Railway, Indianapolis, Ind., urging passage of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2331. Also, petition of Memphis Lodge, No. 14, International Association of Machinists, Memphis, Tenn., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2332. By Mr. KEOGH: Petition of the United Scenic Artists of America, Local 829, of the Brotherhood of Painters, Decorators, and Paperhangers of America, New York City, favoring the passage of House bill 4576 and Senate bill 591; to the Committee on Military Affairs.

2333. Also, petition of the General Assembly of the State of North Carolina, favoring legislation in making an allowance to all active members of the officers of the Reserve Corps of the Army of the United States; to the Committee on Military Affairs.

2334. Also, petition of the Modesto public schools, Modesto, Calif., concerning Senate bill 1305, Federal-aid bill; to the Committee on Education.

2335. Also, petition of the Legislature of the State of Nevada, concerning Senate bill 1187; to the Committee on Military Affairs.

2336. By Mr. MARTIN of Massachusetts: Memorial of the Commonwealth of Massachusetts, urging Congress to consider and discuss the provisions of the Townsend national-recovery plan, etc.; to the Committee on Ways and Means.

2337. By Mr. PFEIFER: Petition of the Shellmar Products Co., New York City, opposing House bills 188, 3369, and 3749, and Senate bills 158, 137, 126, and 1299, and Senate Joint Resolution 27; to the Committee on Interstate and Foreign Commerce.

2338. Also, petition of the Cupid Knitwear Co., Inc., New York City, opposing elimination of homework under the wage and hour bill; to the Committee on Labor.

2339. Also, petition of the United Scenic Artists of America, New York City, urging support of House bill 4576 and Senate bill 591; to the Committee on Labor.

2340. By Mr. ROMJUE: Petition of the independent retail merchants of Lewistown, Mo., favoring the passage of House bill 1; to the Committee on Ways and Means.

2341. By Mr. SCHIFFLER: Petition of Victor W. Brandon, chairman, legislative committee of Labor's Non-Partisan League of Marion County, Fairmont, W. Va., urging the passage of the Oppressive Labor Practices Act of 1939, introduced by Senators THOMAS and LA FOLLETTE; to the Committee on Labor.

2342. By Mr. SECCOMBE: Petition of Russell T. Kiko, Fortieth Street NW., Canton, Ohio, and approximately 5,000 other residents of the Sixteenth Congressional District of Ohio, including farmers, industrialists, business and professional men, in support of the nonpartisan cost-of-production bill (S. 570) and similar bills in the House; to the Committee on Agriculture.

2343. By the SPEAKER: Petition of the city of Milwaukee, Wis., petitioning consideration of their resolution with reference to Works Progress Administration deficiency appropriation; to the Committee on Appropriations.

2344. Also, petition of the Council of State Governments, Chicago, Ill., petitioning consideration of their resolution with reference to freight rates; to the Committee on Ways and Means.

2345. Also, petition of Margaret McDonald, of San Francisco, Calif., and others, petitioning consideration of their resolution with reference to Works Progress Administration deficiency appropriation; to the Committee on Appropriations.

2346. Also, petition of the Federal Personnel Association, Washington, D. C., petitioning consideration of their resolution with reference to civil-service classification and retirement acts; to the Committee on the Civil Service.

2347. Also, petition of Non-Sectarian Anti-Nazi League to Champion Human Rights, Inc., New York, N. Y., petitioning consideration of their resolution with reference to unfair competition to American industrial enterprises; to the Committee on Ways and Means.

## SENATE

THURSDAY, APRIL 6, 1939

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

Eternal gracious Father, whose presence comforteth like sunshine after rain: Our hearts are burdened with thanksgiving at the thought of all Thy mercies, for the blessings of this mortal life, for health, for reason, for learning, and for love; but, far beyond all thought and thankfulness, is the story of Thy great redemption.

It was no painless travail that brought us to the birth, nor common patience that could bear with us the while, for long-suffering love and the breaking of the eternal heart were necessary to reconcile us to the life to which Thou hast ordained us. And, as we gaze upon the Saviour's cross, whence sorrow and love flow mingled down, bring us back, dear Father, to the things we have neglected, the common tasks and the stern commands of conscience to live the higher, purer life, for our weakness and our need are more than we can bear. Heal us though by pain, save us though by death, and reveal to us Thy glory in the face of the Man of Sorrows, the shadow of whose cross is better than the sun. In His holy name we ask it. Amen.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, April 4, 1939, was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

### CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Reed
Andrews	Davis	La Follette	Reynolds
Ashurst	Donahey	Lee	Russell
Austin	Downey	Lodge	Schwartz
Bankhead	Ellender	Logan	Schwellenbach
Barbour	Frazier	Lucas	Sheppard
Barkley	George	Lundeen	Shipstead
Bilbo	Gerry	McCarran	Smathers
Bone	Gillette	McKeller	Smith
Borah	Glass	McNary	Stewart
Bridges	Green	Maloney	Taft
Brown	Guffey	Mead	Thomas, Okla.
Bulow	Gurney	Miller	Thomas, Utah
Burke	Harrison	Minton	Townsend
Byrd	Hatch	Murray	Tydings
Byrnes	Hayden	Neely	Vandenberg
Capper	Herring	Norris	Wagner
Caraway	Hill	Nye	Wheeler
Chavez	Holman	O'Mahoney	White
Clark, Idaho	Holt	Overton	Wiley
Clark, Mo.	Johnson, Calif.	Pepper	
Connally	Johnson, Colo.	Pittman	

Mr. MINTON. I announce that the Senator from Delaware [Mr. HUGHES], the Senator from Maryland [Mr. RADCLIFFE], the Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. TRUMAN], and the Senator from Illinois [Mr. LEWIS] are detained from the Senate on important public business.

The Senator from Indiana [Mr. VAN NUYS] and the Senator from Massachusetts [Mr. WALSH] are unavoidably detained.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

### ADDITIONAL CLERICAL ASSISTANCE FOR SENATORS

Mr. GUFFEY. Mr. President, I desire to give notice that on Monday next at an appropriate time, I shall address the Senate on the matter of additional clerical assistance for Senators.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House